



7-Eleven Malaysia Holdings Berhad
201301028701 (1058531-W)

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**TAHUN
DI MALAYSIA**

ANNUAL REPORT

2024



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VISION

To be the best retailer
of convenience

Menjadi peruncit serbaneka
yang terbaik



MISSION

To consistently serve the changing needs
of customers for their convenience

Memberi layanan secara konsisten
mengikut perubahan keperluan semasa
pelanggan demi keselesaan mereka



UNDERSTAND

We seek to understand the needs of stakeholders & the company to make the best (balanced) decisions

Kami berusaha untuk memahami keperluan pelbagai pihak & juga pihak syarikat dalam membuat keputusan yang seimbang dan terbaik



SIMPLIFY

We work towards making things convenient for people to increase the effectiveness of our solutions

Kami berusaha memudahkan setiap perkara untuk setiap pihak bagi mendapatkan penyelesaian yang terbaik



CONNECT

We communicate to manage people's expectations in the most effective manner

Kami berkomunikasi secara berkesan untuk memaklumkan kepada semua pihak mengenai perkembangan terkini



SOLVE

We find ways to resolve issues that prevents us from delivering value to those we serve

Kami sentiasa mencari jalan penyelesaian untuk memberi manfaat kepada semua pihak

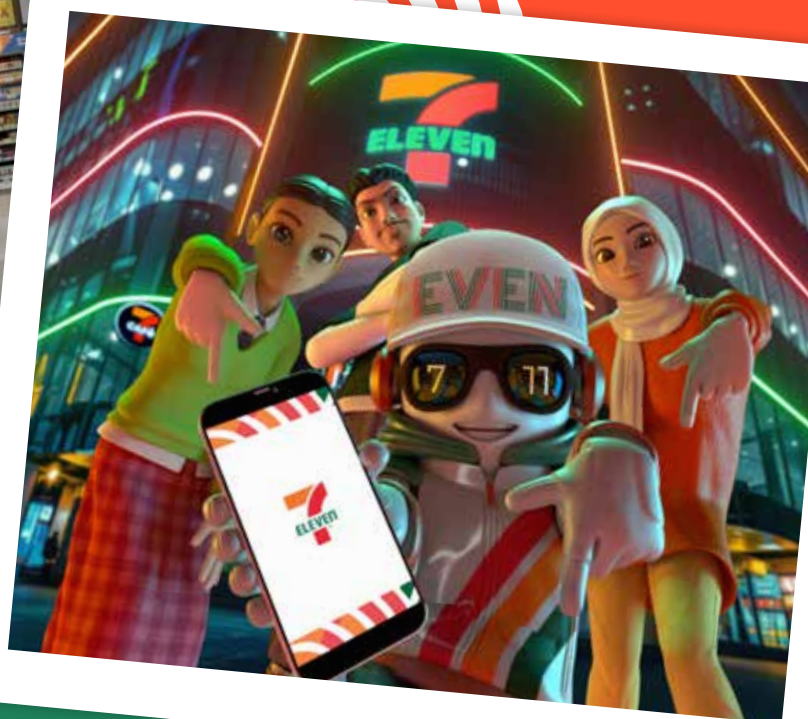
VALUES

SOMETHING FOR EVERYONE

40

YEARS OF EXCELLENCE





7-Eleven Malaysia celebrates its **40th anniversary**, marking four decades of convenience and connection. Since 1984, we've grown with Malaysians - becoming a trusted one-stop destination anytime, anywhere. This year, we're taking it even higher with exclusive limited-edition merchandise, local fashion collaborations, and the debut of our first digital ambassador, **Even**.

Here's to 40 years and beyond!

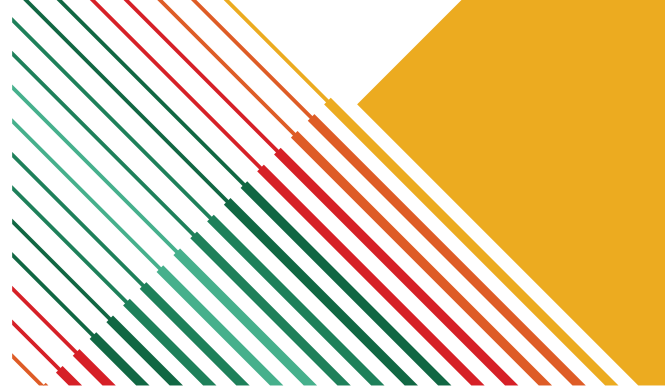


OVERVIEW

7-Eleven Malaysia Holdings Berhad (“SEM”) is an investment holding company which has been listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) since 2014.



Through its major subsidiary, 7-Eleven Malaysia Sdn. Bhd. (“7-Eleven Malaysia”), SEM is the owner and operator of 7-Eleven stores in Malaysia. Incorporated on 4 June 1984, 7-Eleven Malaysia has made its mark in the retailing scene and remained a prominent icon for over 40 years. 7-Eleven Malaysia is the pioneer and largest 24-hours standalone convenience store operator in Malaysia.





COMPANY PROFILE

7-ELEVEN MALAYSIA

7-Eleven was founded by J. C. Thompson in 1927 as The Southland Ice Company in Dallas, Texas. Started as an ice vendor, the company eventually began offering milk, bread and eggs on Sundays and evenings when grocery stores were closed. This new business idea produced satisfied customers and increased sales, spawning the precursor of the

lifestyle convenience retail concept.



7-Eleven is Always There For You.

The company's first convenience outlets were known as Tote'm stores since customers "toted" away their purchases, and some even sported genuine Alaskan totem poles in front. In 1946, Tote'm became 7-Eleven to reflect the stores' new, extended hours - 7 a.m. until 11 p.m., seven days a week. The company's corporate name was changed from The Southland Corporation to 7-Eleven, Inc. in 1999.

We are the pioneer and the largest 24-hour convenience store operator in Malaysia. Upon achieving its 1,000-store milestone, 7-Eleven Malaysia opened its doors to local entrepreneurs through its unique franchising program in 2009. We are the first franchisor in the local market to offer existing profit-making stores to franchisees. To date, 7-Eleven Malaysia has expanded to over 2,600 stores nationwide, reinforcing our commitment to accessibility, innovation, and community engagement.

7-Eleven stores can be found across bustling commercial districts to serene suburban residential compounds throughout Malaysia, from petrol stations and LRT stations to shopping malls and medical institutions.

Each 7-Eleven store carries over 2,500 SKUs, featuring our signature offering like Slurpee frozen beverages, our exclusive range of soft serve treats.

7-Eleven now also offers more private label brands with better prices and higher quality and has expanded to about 200 SKUs.

Since 2021, 7-Eleven has introduced its innovative 7CAFé store format, elevating the standard with enhanced fresh food selections, expanded product offerings, enriched services, and an unparalleled in-store customer experience.

By 2024, this innovative concept has grown significantly with the opening of 536 7CAFé outlets and the launch of a new commissary, QVI, focused on enhancing the quality and variety of Ready-To-Eat meals.

As of 2024, the My7E loyalty app has grown to an impressive 3.4 million members. We will continue to enhance the platform by introducing more exciting rewards and loyalty programs, driving deeper engagement and value for our members.

7-Eleven provides an extensive range of services, including reload services (prepaid mobile lines, Touch 'N Go card, Touch 'N Go eWallet, Grab Driver, Razer Gold, etc), collection of bill payments (electricity bills, water bills, telecommunication bills, selected local Council bills), customers can also make cash payments for online purchases, purchase SIM cards, and gift cards (Google Play, SONY, Roblox, Starbucks, etc) at any 7-Eleven stores nationwide.

In 2024, we included the sales of courier prepaid envelopes to complete the parcel service available, customers can now pack, drop off or pick up their parcels through selected 7-Eleven stores. Serving the local communities better, more Auto Teller Machines (ATMs) were deployed in 7-Eleven stores as well.

Photocopying services and bulletin boards for local community notices are also available in selected stores.

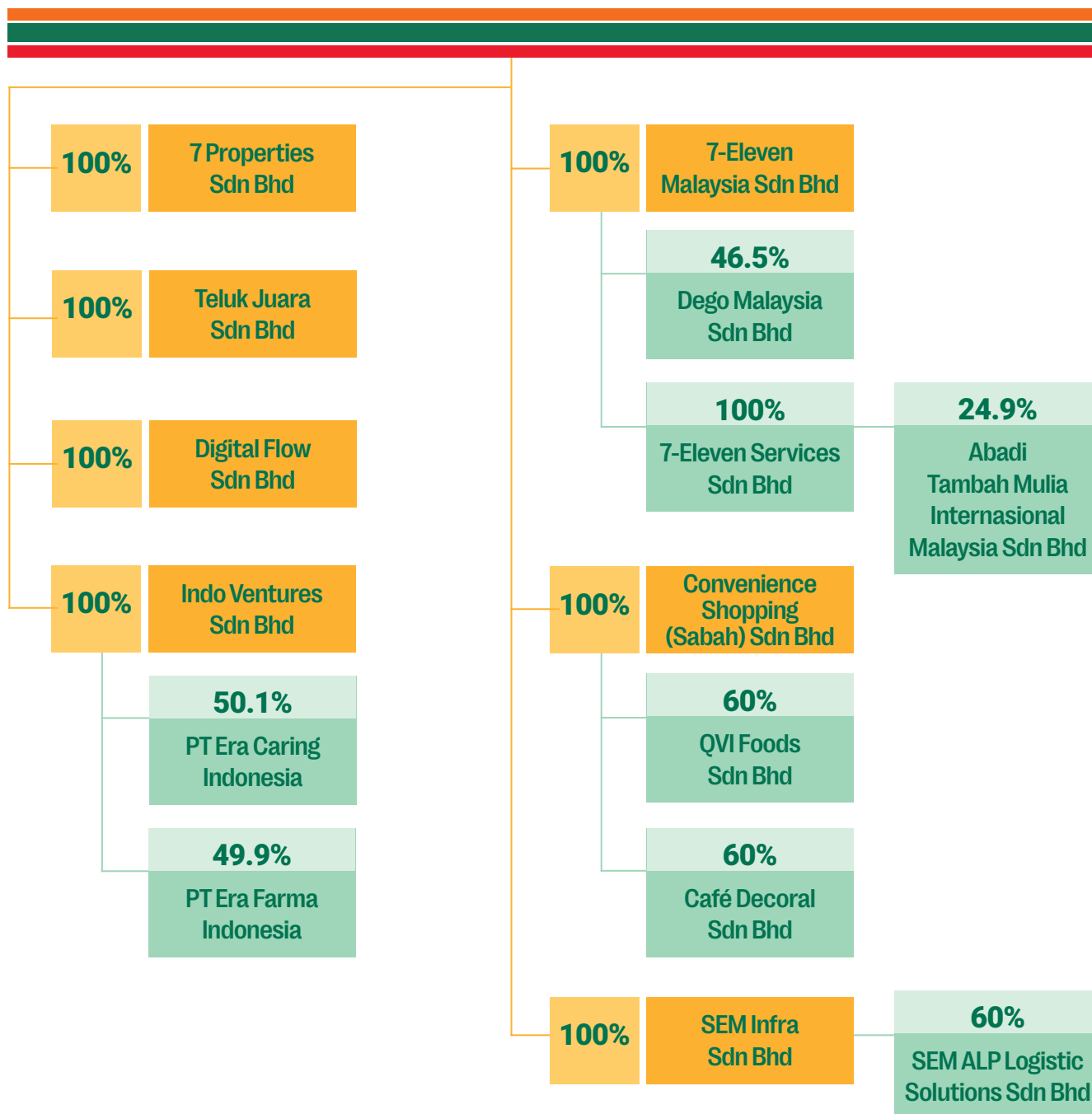
7-Eleven accepts tender in cards (MyDebit, Visa, Master) and eWallets (Touch 'N Go, ShopeePay and foreign eWallets such as Alipay China, Alipay Hong Kong, Kakaopay, TrueMoney and GCash).

CORPORATE STRUCTURE

as at 31 March 2025



**7-Eleven Malaysia
Holdings Berhad**



CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Wira Farhash Wafa Salvador
*Chairman, Non-Independent
Non-Executive Director*

Dato' Richard Alexander John Curtis
*Deputy Chairman, Senior Independent
Non-Executive Director*

Tan U-Ming
*Executive Director cum
Co-Chief Executive Officer*

Wong Wai Keong
*Executive Director cum
Co-Chief Executive Officer*

**Puan Sri Datuk Seri Rohani
Parkash Binti Abdullah**
Independent Non-Executive Director

Moyra Binti Ibrahim
Independent Non-Executive Director

Chan Kien Sing
*Non-Independent
Non-Executive Director*

Tsai, Tzung-Han
*Non-Independent
Non-Executive Director*

AUDIT COMMITTEE

Moyra Binti Ibrahim
*Chairperson
Independent Non-Executive Director*

**Puan Sri Datuk Seri Rohani
Parkash Binti Abdullah**
*Member
Independent Non-Executive Director*

Chan Kien Sing
*Member
Non-Independent
Non-Executive Director*

REMUNERATION COMMITTEE

Chan Kien Sing
*Chairman
Non-Independent
Non-Executive Director*

**Puan Sri Datuk Seri Rohani
Parkash Binti Abdullah**
*Member
Independent Non-Executive Director*

Dato' Richard Alexander John Curtis
*Member
Senior Independent
Non-Executive Director*

NOMINATING COMMITTEE

**Puan Sri Datuk Seri Rohani
Parkash Binti Abdullah**
*Chairperson
Independent Non-Executive Director*

Chan Kien Sing
*Member
Non-Independent
Non-Executive Director*

Dato' Richard Alexander John Curtis
*Member
Senior Independent
Non-Executive Director*

RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Dato' Richard Alexander John Curtis
*Chairman
Senior Independent
Non-Executive Director*

Moyra Binti Ibrahim
*Member
Independent Non-Executive Director*

**Puan Sri Datuk Seri Rohani
Parkash Binti Abdullah**
*Member
Independent Non-Executive Director*

COMPANY SECRETARIES

Tai Yit Chan (MAICSA 7009143)
(SSM PC No.202008001023)
Tia Hwei Ping (MAICSA 7057636)
(SSM PC No.202008001687)

REGISTERED OFFICE

12th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13, 46200 Petaling Jaya,
Selangor Darul Ehsan,
Malaysia
Tel. No.: +603 7890 4800
Fax No.: +603 7890 4650
Email address:
boardroomkl@boardroomlimited.com

HEAD OFFICE

Postal No. 08-66, Level 8,
Berjaya Times Square,
No. 1, Jalan Imbi,
55100 Kuala Lumpur,
Wilayah Persekutuan,
Malaysia
Tel. No.: +603 2119 1711
Fax No.: +603 2119 1712
Email address:
contactus@7eleven.com.my
Website address:
www.7eleven.com.my

AUDITORS

Ernst & Young PLT (AF0039)
Level 23A, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
50490 Kuala Lumpur,
Wilayah Persekutuan,
Malaysia
Tel. No.: +603 7495 8000
Fax No.: +603-2095 5332

SHARE REGISTRAR

Berjaya Registration Services Sdn. Bhd.
[Registration No.: 199401008064
(293743-X)]
09-27, Level 9, Berjaya Times Square,
No.1 Jalan Imbi,
55100 Kuala Lumpur,
Wilayah Persekutuan,
Malaysia
Tel. No.: +603-2145 0533
Fax No.: +603-2145 9702
Email address:
shareg@berjayareg.com.my

PRINCIPAL BANKERS

Malayan Banking Berhad
AmBank (M) Berhad
CIMB Bank Berhad
RHB Bank Berhad

STOCK EXCHANGE LISTING

Main Market of
Bursa Malaysia Securities Berhad
Stock Name : SEM
Stock Code : 5250

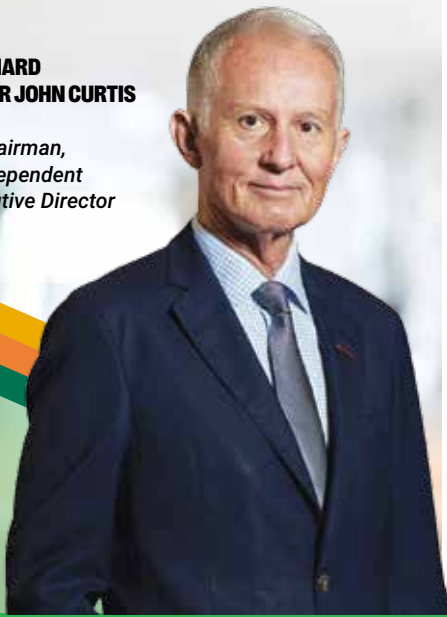
PLACE OF INCORPORATION AND DOMICILE

Malaysia

BOARD OF DIRECTORS

**DATO' RICHARD
ALEXANDER JOHN CURTIS**

*Deputy Chairman,
Senior Independent
Non-Executive Director*



**DATUK WIRA FARHASH
WAFSA SALVADOR**

*Chairman,
Non-Independent
Non-Executive Director*



TAN U-MING

*Executive Director cum
Co-Chief Executive
Officer ("Co-CEO")*



WONG WAI KEONG

*Executive Director cum
Co-Chief Executive
Officer ("Co-CEO")*



BOARD OF DIRECTORS

CHAN KIEN SING

*Non-Independent
Non-Executive
Director*



MOYRA BINTI IBRAHIM

*Independent
Non-Executive
Director*



TSAI, TZUNG-HAN

*Non-Independent
Non-Executive Director*



**PUAN SRI DATUK SERI
ROHANI PARKASH
BINTI ABDULLAH**

*Independent
Non-Executive
Director*



PROFILE OF DIRECTORS

DATUK WIRA FARHASH WAFA SALVADOR

**Male, Aged 42,
Malaysian
Chairman,
Non-Independent Non-Executive Director**

Datuk Wira Farhash Wafa Salvador was appointed to our Board as Chairman, Non-Independent Non-Executive Director on 3 January 2023.

Datuk Wira Farhash Wafa Salvador possesses a Master of Science in Finance (Merit) from the University of Portsmouth, United Kingdom, which was earned in 2007. He had also graduated with Honours Degree of Bachelor of Arts in Business Administration from the same university in 2005. On 26 May 2021, another milestone was achieved when he was awarded an Executive Certificate in Public Leadership by the prestigious Harvard Kennedy School at Harvard University.

Datuk Wira Farhash Wafa Salvador is a distinguished figure in the world of business and leadership, renowned for his exceptional achievements and contributions to various industries. He has left an indelible mark as an entrepreneur, an inventor, and a board member in esteemed organizations. His impressive academic qualifications, entrepreneurial spirit, and dedication have set him apart as an influential and impactful leader.

Datuk Wira Farhash Wafa Salvador presently sits in the Board of Advisory of Yayasan Usahawan Malaysia, a non-government organization that thrives on the frontier of gathering, creating and developing sustainable companies with strong entrepreneurship traits.

Datuk Wira Farhash is currently the Group Executive Chairman of Apex Equity Holdings Berhad, Executive Chairman of Excel Force MSC Berhad and Key Alliance Group Berhad, Non-Independent Non-Executive Chairman of MMAG Holdings Berhad and a Director of Berjaya Construction Berhad. He also holds directorship positions in several other companies.

DATO' RICHARD ALEXANDER JOHN CURTIS

**Male, Aged 73,
British
Deputy Chairman,
Senior Independent Non-Executive Director**

Dato' Richard Alexander John Curtis was appointed to our Board as Deputy Chairman, Independent Non-Executive Director on 25 November 2021 and redesignated as a Senior Independent Non-Executive Director on 20 April 2022. He was appointed as the Chairman of the Risk Management and Sustainability Committee on 20 April 2022 and appointed as the member of the Nominating Committee on 26 June 2023. He was appointed as a member of the Remuneration Committee on 28 January 2025.

Dato' Richard Alexander John Curtis commenced his career in legal practice as a solicitor in Norton Rose (1976-1979) in London and progressively advanced his career by joining Jardine Matheson & Co. (1979-1983) in Hong Kong after which he joined the Jardine Offshore Group (1983-1986) with postings to Singapore and Indonesia. He subsequently pursued his own businesses (1988-1997) in retail, consultancy and construction before helming The Melium Group (1997-2004), a leading Malaysian retail company and F&B chain operator, as its Chief Executive Officer.

Dato' Richard Alexander John Curtis was formerly the Group Managing Director of Cahya Mata Sarawak Berhad ("CMS"), a conglomerate listed on the Main Market of Bursa Malaysia Securities Berhad with cement, construction materials, road maintenance, infrastructure and property development as its core businesses until his retirement on 31 December 2017. He was then appointed as a Non-Independent Non-Executive Director of CMS and of some of its subsidiary companies until his resignation on 31 December 2018. He was then appointed as an Adviser to CMS, whilst remaining as a Non-Independent Non-Executive Director of some of its subsidiary companies, until he retired effective 1 January 2021.

Dato' Richard Alexander John Curtis was also appointed as a Non-Independent Non-Executive Director on 11 September 2006 and a member of Executive Committee of UBG Berhad (Formerly Known as Utama Banking Group Berhad) on 22 September 2006. He then resigned on 19 September 2008 as a member of the Executive Committee and a Non-Independent Non-Executive Director.

Dato' Richard Alexander John Curtis was also a Non-Independent Non-Executive Director, a member of the Group Board Risk Committee and a member of the Group Board Digital Innovation & Technology Committee of Kenanga Investment Bank Berhad. He ceased to be a member of these two (2) Committees and a Non-Independent Non-Executive Director on 11 June 2021.

PROFILE OF DIRECTORS

TAN U-MING

**Male, Aged 38,
Malaysian
Executive Director cum
Co-Chief Executive Officer
Key Senior Management**

Mr. Tan U-Ming was appointed to our Board as Executive Director on 21 August 2013, and subsequently he was appointed as Co-Chief Executive Officer ("Co-CEO") of the Company with effect from 1 December 2020.

Mr. Tan U-Ming attended college in Irvine Valley College, California, USA. Before embarking on his studies in the US, he spent a year as a Management Trainee with Convenience Shopping Sdn. Bhd. (now known as 7-Eleven Malaysia Sdn. Bhd.), the earlier half of which as a Store Associate and the latter as an Intern with the Merchandising Department. Before returning to Malaysia, he spent six (6) months completing the Franchisee, In-store Training and Field Consultant Certification Training (Phase 1) courses with 7-Eleven Inc. in North America.

In 2008, he was appointed as a Director of 7-Eleven Malaysia Sdn. Bhd., where he was responsible for overseeing its Merchandising, Supply Chain, Procurement and Marketing functions. He was promoted to the position of Executive Director in 2011.

He currently holds multiple directorships in other private companies of various industries. He is also the son of Tan Sri Dato' Seri Vincent Tan Chee Yioun, a major shareholder of the 7-Eleven Malaysia Holdings Berhad.

WONG WAI KEONG

**Male, Aged 51,
Malaysian
Executive Director cum
Co-Chief Executive Officer
Key Senior Management**

Mr. Wong Wai Keong joined our Board as Executive Director on 1 November 2020 and later assumed the role of Co-Chief Executive Officer ("Co-CEO") on 1 December 2020.

Before his appointments, Mr. Wong served as the Chief Financial Officer of the company starting from 12 March 2018. He possesses expertise in finance, accounting, information technology/enterprise resource planning (ERP), and business management. His extensive career spans across various industries, including healthcare, multi-level marketing, enterprise application services, manufacturing, agriculture, and the fast-moving consumer goods industry (FMCG).

Mr. Wong is a fellow member of the Chartered Institute of Management Accountants (CIMA), as well as a member of the Malaysian Institute of Accountants (MIA) and the Chartered Global Management Accountants (CGMA).

Before joining 7-Eleven Malaysia Holdings Berhad, he served as the Group Finance Director of SyAqua Group Inc., where he oversaw Asian markets and Florida, USA. His contributions were instrumental in expanding the organization and transitioning it into a fully integrated functional business.

Mr. Wong has held management positions in esteemed companies such as Avon Cosmetics, KFCH Marketing, Ayamas Food Corp, Abbott Laboratories, and Wyeth. Additionally, he has served as a Lead Application Consultant with JD Edwards.

PROFILE OF DIRECTORS

CHAN KIEN SING

**Male, Aged 68,
Malaysian
Non-Independent
Non-Executive Director**

Mr. Chan Kien Sing was appointed to the Board initially as Executive Director on 21 August 2013 and subsequently redesignated as Non-Independent Non-Executive Director on 22 April 2015.

He is a chartered accountant by qualification and a member of The Malaysian Institute of Certified Accountants (MICPA) and Malaysian Institute of Accountants (MIA). He has over 40 years of experience in strategic corporate planning and structuring, M&As, IPOs, audit/accountancy and managing business operations.

From 1975 to 1981, he pursued his professional MICPA articleship with Messrs Peat Marwick Mitchell (now KPMG). Involved principally in statutory compliance audits for companies in various industries. He subsequently joined Ambank Bhd, an investment bank, for eight years specialising in corporate advisory and banking.

In 1989, Mr. Chan joined Berjaya Corporation to head their Group Investment function. Shortly thereafter, he was promoted to Group Executive Director and spent some 30 years in the group overseeing various operations and functions. He retired as Executive Director in January 2017 and remained as Non-Executive Director until December 2019.

Whilst in Berjaya Group, he held multiple roles and was seconded to oversee various operations. Following are some notable appointments:

- DiGi Telecommunications Sdn Bhd
 - CEO/ Executive Director of DiGi from 1995 till 2005.

- 7 Eleven Malaysia Sdn Bhd ("7E")
 - Managing Director / Executive Director.
 - Instrumental in negotiating and acquiring 7E franchise in 2001.
 - Immediate focus was on modernising 7E operations via automating the entire store network operating systems and launching a new combined distribution centre for timely logistical support, so critical for this fast-moving business.
 - 7E store network grew from 180 to over 2,500 stores representing the largest convenience store chain in Malaysia.
- CEO of Berjaya Capital Bhd which operates the stockbroking company, Inter-Pacific Securities Sdn Bhd from 2001 to 2013.
- Managing Director of the Sun Media group from 2008 to 2018 which publishes theSun newspaper. Largest free daily paper distributed in Malaysia.

Mr. Chan was appointed as the Chairman of the Remuneration Committee and a member of Nominating Committee on 12 March 2021. He was appointed as a member of Audit Committee on 28 January 2025.

Currently, he is also a Non-Independent Non-Executive Director of Berjaya Assets Berhad.

PROFILE OF DIRECTORS

TSAI, TZUNG-HAN

**Male, Aged 49,
Taiwanese
Non-Independent
Non-Executive Director**

Mr. Tsai, Tzung-Han was appointed to the Board as Non-Independent Non-Executive Director on 16 January 2019.

He obtained his Juris Doctor Degree in law from Georgetown University Law Center, USA and his Bachelor's Degree in Economics from Harvard University, USA.

Currently, he is the Vice Chairman of Cathay United Bank, a subsidiary of Cathay Financial Holdings, a publicly listed company in Taiwan. He also serves as a director on the Board of Directors of Cathay Life Insurance, the largest life insurer in Taiwan and also a subsidiary of Cathay Financial Holdings. After returning from the USA in 2005, he served in various capacities at Cathay Life Insurance, including senior vice president in charge of alternative investments and executive vice president in charge of real estate acquisitions and development, human resources and strategic planning. He also ran the strategic planning department for Cathay Financial Holdings from 2010 until 2016. During his tenure, Mr. Tsai oversaw a number of overseas strategic investments on behalf of the group. He joined Cathay United Bank in 2015 and served as the Head of Strategic Planning until he became the Vice Chairman in 2016, where he continues to oversee the strategic planning, wealth management, digital banking, data analytics and overseas banking departments.

Prior to returning to Taiwan, he worked briefly in private equity at Goldman Sachs in New York and in venture capital at Pacific Venture Partners in San Francisco. From 2001 until 2003, he was a practicing attorney in the real estate department at Hale and Dorr LLP, currently known as Wilmer Hale, in Boston.

Mr. Tsai, Tzung-Han has over fifteen (15) years' experience in investment and business development in the finance industry. He is the son of Mr. Tsai, Hong-Tu, who is the major shareholder of 7-Eleven Malaysia Holdings Berhad by virtue of his indirect interest shareholding in Classic Union Group Ltd.

PUAN SRI DATUK SERI ROHANI PARKASH BINTI ABDULLAH

**Female, Aged 69,
Malaysian
Independent
Non-Executive Director**

Puan Sri Datuk Seri Rohani Parkash Binti Abdullah was appointed to the Board as Independent Non-Executive Director on 10 February 2017. She was appointed Chairperson of Nominating Committee and member of Remuneration Committee on 11 April 2022 thereafter as a member of the Audit Committee on 26 June 2023 and as a member of the Risk Management and Sustainability Committee on 28 January 2025.

She obtained her Master of Business Administration from Oklahoma State University, USA in 1995.

Her career in the civil service spanned the land and regional development, communication and multimedia, human resources and higher education sectors. She was extensively involved in international and policy aspects of these sectors and left the service in 2012 as the Deputy Secretary General of Ministry of Higher Education, to conclude her career as a Senior Fellow at University Teknologi Malaysia in 2015.

In the corporate sector, Puan Sri has served on various public listed and private company boards. Currently, she is an Independent Non-Executive Director of Samaiden Group Berhad, Citaglobal Berhad and Media City Sdn Bhd. She is also the Chairperson of the Sultan Idris Education University (UPSI) since 2020.

Puan Sri is also active in various charity organisations including her role (mid-2012 to late-2018), as the President of PUSPANITA Kebangsaan (Association of Women Civil Servants and Wives of Civil Servants), the National Kidney Foundation and other charity organisations.

PROFILE OF DIRECTORS

MOYRA BINTI IBRAHIM

**Female, Aged 48,
Malaysian
Independent Non-Executive Director**

Puan Moyra Binti Ibrahim was appointed to the Board as Independent Non-Executive Director on 28 November 2022. She was also appointed as the members of the Audit Committee and Risk Management and Sustainability Committee on 28 November 2022. On 26 June 2023, she was redesignated as the Chairperson of Audit Committee.

She is a qualified Chartered Accountant with the Malaysian Institute of Accountants (MIA). She holds a Bachelor of Commerce from The University of Newcastle, Australia and the Association of Chartered Certified Accountants (ACCA) from the University Technology MARA (UITM).

She has more than 20 years of experience in financial and business advisory services and started her career

with KPMG. In 2018, she founded ECS Solution Sdn Bhd and established it as a bespoke boutique firm in Business Advisory and Corporate Services. She is currently the Managing Director of the Company.

In addition, she holds certifications in Chartered Financial Planning (CFP), Islamic Financial Planning (IFP) and is a founding member of AWARIS (Amanah Warisan Berhad), a licensed trustee company.

She is also an Independent Non-Executive Director of Berjaya Mutual Berhad, an asset management company under Berjaya Group.

Notes:-

1. The details of Board Committees held by the Directors and the number of board meetings attended by them are disclosed in the Corporate Governance Overview Statement.
2. Save as disclosed, none of the Directors have:-
 - Any other directorship in public companies and listed issuers;
 - Any family relationship with any Director and/or major shareholder;
 - Any conflict of interest with the Company;
 - Any convictions for offences within the past five (5) years other than traffic offences, if any; and
 - Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

TAN U-MING

**Executive Director cum
Co-Chief Executive Officer**

The profile of Mr. Tan U-Ming is set out on page 13 of this Annual Report.

WONG WAI KEONG

**Executive Director cum
Co-Chief Executive Officer**

The profile of Mr. Wong Wai Keong is set out on page 13 of this Annual Report.

AARON NG WEI EE

**Male, Aged 43,
Malaysian
Finance Director**

Mr. Aaron Ng Wei Ee is an experienced financial professional and has over 18 years of working experience in multinational corporations, overseeing finance, accounting and business management and professional services of investment banking and corporate finance, audit and assurance.

He has extensive experience in the Retail FMCG space, ranging from B2B, B2C, omni-channel and including multilevel marketing.

Prior to his appointment as Finance Director of 7-Eleven Malaysia Holdings Berhad, he served as Finance Director of Tupperware Brands Malaysia, overseeing finance for both Malaysia and Singapore markets. He has previously held key management roles in Hong Kong SaSa Malaysia and L'Oreal Malaysia and Hong Kong.

Notes:-

1. Save as disclosed, none of the Key Senior Management have:-

- Any other directorship in public companies and listed issuers;
- Any family relationship with any Director and/or major shareholder;
- Any conflict of interest with the Company;
- Any convictions for offences within the past five (5) years other than traffic offences, if any; and
- Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS



OVERVIEW

In 2024, the Malaysian economy had surpassed initial projections and demonstrated marked resilience amid global uncertainties; growth was higher at 5.1% compared with 3.6% in 2023. The retail sector experienced a strong recovery, driven by post-pandemic consumer confidence and a growing preference for convenience in shopping. Consumers are increasingly seeking omnichannel experiences, prompting retailers to enhance their digital presence alongside physical outlets. Yet, rising operational costs, including logistics and labour, remain a challenge for operators. Sustainability is also becoming a key priority, with many retailers adopting eco-friendly practices to cater to the growing demand for environmentally conscious products. As the retail landscape evolves, retailers are leveraging technology to improve customer experiences and optimize operations, positioning themselves for sustained growth.

Notwithstanding the myriad of challenges both on the global and local front, 7-Eleven Malaysia Holdings Berhad ("SEM" or "the Group") was tenacious in the execution of our strategic plans and displayed a commitment to over-coming obstacles and seizing opportunities for growth. For the financial year ended 31 December 2024 ("FYE2024"), the Group achieved a revenue of RM2,925.5 million, reflecting a 5.1% increase compared to the previous year. This growth was primarily driven by our extensive network of 2,635 convenience stores, which played a pivotal role in

generating this revenue and further strengthening our position in the market.

Throughout this period, we remained committed to supporting our people, customers, and communities, prioritizing their safety and well-being. We were honoured to be recognized for our efforts, receiving several prestigious awards as in previous years. In 2024, we proudly launched the 7EGoGreen Waste2Life campaign, in partnership with NGOHub, Alam Flora, and Program Perumahan Rakyat, as part of our ongoing commitment to Environmental, Social, and Governance ("ESG") initiatives aimed at reducing the carbon footprint. Additionally, we introduced the Semurni Kasih campaign, an annual initiative during Ramadan encouraging customers to donate items purchased at our stores. With the tagline "You Contribute, We Distribute," the campaign featured donation boxes in our nationwide stores for both food and non-food items. We facilitated the distribution to those in need, promoting the initiative through social media and in-store displays.

CONVENIENCE STORES SEGMENT

On the back of improved trading conditions and acceleration of our 7-CAFé format, the Convenience Stores segment recorded an all-time high Revenue of RM2,925.5 million, an increase of RM142.0 million or +5.1% as compared to the previous year. Essentially, we achieved overall higher productivity in terms of Basket size and Average per store day ("APSD") sales, as compared to the previous year.

As the leading convenience store operator in Malaysia, we take pride in our commitment to delivering a personalized shopping experience to our customers across our extensive store network. Strategically, we expanded our footprint by opening 95 new stores, comprising 10 Classic stores and 85 7-CAFé stores, strategically located in high-potential regions. Concurrently, we made the difficult decision to close 26 under-performing stores, where declining trading levels rendered them economically unviable to operate. This approach allows us to focus on strengthening our presence in key locations while optimizing our operations for sustainable growth.

As part of our strategic initiative, we have successfully refurbished 205 existing Classic stores into the 7-CAFé format. This transformation has played a crucial role in enhancing the customer experience and driving increased footfall. As a result, our network now proudly consists of 536 7-CAFé stores, reinforcing our commitment to innovation and our dedication to meeting the evolving preferences of consumers.

Our business strategy

- Improve assortment
- Supply chain
- Drive operational excellence
- Grow and improve store base
- Digitally enable the organization
- Engaging and developing our colleagues

MANAGEMENT DISCUSSION AND ANALYSIS

Improve Assortment

In response to the dynamic retail landscape in Malaysia, we remain committed to modernizing, innovating, and offering unique products and services at our stores. Recognizing the phenomenon of "brand agnosticism" among today's consumers, who face a plethora of choices and have limited attention spans, our objective is clear: to captivate customers with fresh, personalized experiences and value-added offerings.

In pursuit of this goal, FYE2024 marked significant advancements in expanding our range of private label products, offering consumers a wider variety of value-added options. We actively introduced new and exclusive products, including premium imported goods and limited-edition merchandise, through strategic collaborations with brand partners like Pokemon, Quby etc. Our aim is to continually excite and engage customers through innovative offerings that resonate with their evolving preferences, ensuring a unique and compelling shopping experience.

Moreover, within the Fresh Food segment, we recognize the diverse needs of our customer base and are committed to offering a variety of high-quality options. In collaboration with 7-Eleven Japan, our food commissary has incorporated their expertise and best practices to develop fresh and innovative dishes. This year, we expanded the commissary with upgraded ingredients, enhanced technology, and a focus on local sourcing

and flavours, working alongside Chef Riza. By incorporating seasonal local ingredients, we ensure that our offerings consistently meet and exceed customer expectations, delivering exceptional freshness and flavour with every dish.

Supply Chain

Supply chain is the heart of our business and we continue to work on improving efficiencies and optimizing our logistical infrastructures. With increased efficiency in delivery lead times, on-shelf availability, and picking accuracy, we anticipate better in store service levels, sales and customer experience.

We will continue to ensure consistent fulfilment to stores and to drive down costs alongside generating higher income. That said, we further recognise that additional infrastructure and facilities are required to fully support the expansion of our 7-CAFé store format outside of the Klang Valley, especially with time-sensitive Perishables and Fresh Food products being a key offering. To address this, we are actively developing a logistics strategy for frozen deliveries. We are focused on this initiative and will continue working towards achieving this goal in the near future, ensuring a seamless expansion and enhanced operational efficiency.

Drive Operational Excellence

Every day, we welcome over a million valued customers across all of our stores. Our customers are at the heart of everything we do, driving our

relentless commitment to delivering exceptional service and ensuring a positive shopping experience for each individual.

To uphold our dedication to customer satisfaction, we have heavily invested in comprehensive customer service training programs. These initiatives equip our team members with the skills and knowledge needed to provide prompt and effective assistance, tailored to meet the diverse needs of our customers. Additionally, we actively monitor and assess our service standards through rigorous mystery shopper audits, allowing us to continuously refine and elevate the customer experience.

Cost efficiency is a key focus area for us, as we strive to eliminate unnecessary expenses such as bad costs and shrinkages, while optimizing resource utilization. We closely manage overtime expenditures, ensuring prudent allocation of labour resources without compromising on service quality.

Above all, our commitment to being "Always There For You" is reflected in our meticulous approach to staffing. We conduct thorough reviews to ensure that our stores are adequately staffed to cater to the needs of our customers at all times. By maintaining the right balance of personnel, we aim to provide attentive and personalized service that exceeds expectations, reinforcing our reputation as a trusted partner in our customers' shopping journeys.



MANAGEMENT DISCUSSION AND ANALYSIS



Grow and Improve Store Base

We understand the significance of continuously expanding our store network to ensure accessibility for all customers, particularly in underrepresented areas. This year, we celebrated the significant milestone with the opening of our 500th 7-CAFé format store and 1st 7-CAFé format store in Kelantan and Perlis, marking a testament to our commitment to innovation and customer satisfaction.

Furthermore, the 7-CAFé format has now expanded into all states in Peninsular Malaysia. By venturing into these regions, we aim to bridge gaps in accessibility and provide communities with convenient access to essential goods and services. This strategic expansion aligns with our mission to make 7-Eleven accessible to all, ensuring that customers across the nation can enjoy the convenience and quality they expect from our brand.

Digitally Enable the Organization

In today's rapidly evolving digital economy, success hinges not only on efficiency but also on business agility. It's imperative to swiftly seize opportunities while meeting the ever-changing demands and expectations of our customers.

During the year, we are excited to have reached 3.4 million members on the My7E loyalty app since its relaunch in August 2022. Through ongoing engagement with our members, we aim to gain deeper insights into their unique needs, enabling us to offer a more personalized experience and tailored

consumer journey with 7-Eleven. This achievement underscores our commitment to enhancing customer satisfaction and building stronger connections with our loyal community.

We will continue to evaluate and refine our digital strategy and investments as we work to better understand our customers and leverage the latest technologies to meet their evolving needs. Our focus remains on enhancing the customer experience, driving innovation, and staying ahead of trends to ensure we consistently deliver value and satisfaction.

Engaging and Developing our Colleagues

To deliver exceptional experiences for our customers, we understand the fundamental importance of cultivating an exceptional work environment for our employees. Central to this approach is the implementation of robust learning and development initiatives tailored for our front-line workers. These programs are meticulously designed to equip our employees with the necessary knowledge and skills to unlock their full potential and provide compassionate, outstanding service.

One such initiative is our comprehensive Store Training-New Modules program, which encompasses various essential components. From Objective Setting to Dedicated Store Trainer support and Post-Action Planning, each element is geared towards fostering customer satisfaction. Through

this structured training regimen, our employees are empowered to understand and meet the diverse needs of our clientele effectively.

Moreover, we prioritize ongoing training across various domains critical to customer service excellence. From product and food handling protocols to customer engagement strategies, upselling techniques, and promotion tracking, our employees receive continuous education to hone their skills. By investing in their development, we ensure that our team members are well-equipped to deliver consistently positive experiences for our customers, thus reinforcing our commitment to excellence and customer-centricity.

FINANCIAL PERFORMANCE

Revenue

Revenue expanded by RM142.0 million or +5.1% to RM2,925.5 million, as compared to the previous year of RM2,783.6 million. This growth was driven by higher productivity across key metrics, including basket size and APSD sales, as well as a positive same-store sales growth ("SSSG") of +2.2% compared to the previous year.

As at 31 December 2024, the total combined store count was 2,635 stores, comprising 2,099 Classic Stores and 536 7-CAFé. During the year, we opened 10 new classic stores, 85 new 7-CAFé and closed 26 non-performing stores, for a net increase of 69 stores. On the other hand, we have also converted 205 classic stores to the 7-CAFé format during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross Profit

Gross Profit for the convenience store segment increased by RM36.7 million or 4.2% compared to the previous year. This growth was primarily driven by the increase in revenue, although it was partially offset by higher write-offs from perishables and fresh food items.

Other Operating Income

Other Operating Income increased by RM31.1 million or 19.3% as compared to the previous year. The growth was primarily contributed by the increase in our marketing income.

Selling and Distribution Expenses

Selling and Distribution Expenses increased by RM65.0 million or 8.8% year-on-year. This growth was primarily attributed by higher store operating expenses, resulting from the growth in store count and the extension of operating hours.

Administration and Other Operating Expenses

Administrative and Other Operating Expenses decreased by RM45.8 million or 23.3% year-on-year. This was mainly driven by lower staff-related costs and lower professional fees recorded for corporate exercises by RM8.9 million as compared to the previous year.

Finance Cost

Finance Cost increased by RM0.2 million or 0.3% year-on-year. This was driven mainly by the higher finance cost from leased liabilities by RM2.6 million, offset by a decrease in Medium-Term Note ("MTN") costs by RM2.9 million, attributed to the repayment of RM150 million in MTN.

Profit after Tax

Due to the successful disposal of Caring Pharmacy Group Berhad ("Caring Group") at the end of FYE2023, the Group's Profit after Tax ("PAT") for FYE2024 is lower in comparison. The absence of

RM284.6 million from Caring Group's operations, which contributed to a total PAT of RM270.1 million in FYE2023, resulted in a decrease in overall PAT to RM38.5 million for FYE2024.

Liquidity and Financial Resources

As at 31 December 2024, the Group retained a cash balance and short-term investment of RM261.3 million after cash dividend payment for financial year 2023 of RM29.9 million.

The Group has total borrowings of RM565.6 million as at 31 December 2024. The borrowings comprise of bankers' acceptance, revolving credit and medium term notes which were utilized for corporate exercises, working capital and capital expenditures' funding for new store openings and including store refurbishments. The debt-to-equity ratio (excluding the reorganisation deficit) of the Group as at 31 December 2024 was 0.34 times, which is in compliance with all existing loan covenant obligations. Operating cash flows generated at the end of financial year 2024 were RM111.9 million.

PROSPECTS

Outlook for 2025

Malaysia's retail sector demonstrated growth and resilience in 2024, driven by robust investment activities, increased goods exports, tourism and household spending. Key factors expected to support the retail sector in 2025 include higher civil servant salaries and a rise in the minimum wage from RM1,500 to RM1,700 per month, which are expected to bolster consumer spending. However, potential headwinds remain, such as the planned rationalization of RON95 fuel subsidies and a potential hike in the base electricity tariff for Peninsular Malaysia, which may lead to inflationary pressures affecting the disposable income of lower- and middle-income households.

On the global front, trade uncertainties persist, especially with the recent

reciprocal U.S. tariffs implementation alongside continuing geopolitical conflicts, posing heightened market risk and volatility. Accordingly, the Malaysia government have put the forecasted a GDP growth of 4.5% to 5.5% for this year under cautious review. 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.

In the coming year, we will continue to focus on expanding our new 7-CAFé store format in the peninsular Malaysia; also, to constantly innovate and refresh our fresh food menu of ready to go ("RTG") and made to go ("MTG") meals, incorporating clean and healthy ingredients with greater nutritional value. Equally vital, is the mission to grow our private label offerings as we seek to continuously deliver value to the emerging group of modern, brand agnostic consumer, where the focus solely on brand perse is gradually vanishing in favour of a focus on the product itself and its attributes.

Additionally, we will continue our advisory mission with our Japanese partner, to focus on expanding our fresh food commissary offerings and improving production yield by optimising high quality raw materials and by adopting best operational practices and discipline. Last but not least, in line with our customer-centric strategy, we will be conducting more regular consumer research and insights, leveraging the voice of the consumer through social listening and brand health studies to continuously improve our services and product offerings.

Finally, the Board of Directors extends its sincere gratitude to our shareholders for their unwavering support throughout the year. Also to the Management and employees of 7-Eleven for their resilience, dedication and loyalty in serving our customers with the utmost care and professionalism. And lastly our sincere thanks to you all.

2024 COMMUNITY ENGAGEMENTS

Consumer Donation Drives

We turn everyday generosity into collective action, helping customers support communities through small but powerful contributions.

Semurni Kasih



Lend A Helping Hand



Buat Baik Together



2024 COMMUNITY ENGAGEMENTS

Empowering Communities Through Recycling

In this year's 7EGoGreen campaign, our employee stepped out of the office and into the heart of the community, working hand-in-hand with PPR residents to champion recycling efforts. This initiative focused on raising awareness, providing hands-on support, and building long-term sustainability habits.

7EGoGreen Campaign

PPR Desa Rejang



PPR Hicom



2024 COMMUNITY ENGAGEMENTS

7-Eleven CSR Campaign

Pesta Selera - UiTM, UKM & UM



Back To School Campaign



Beach cleaning campaign



Trash Troopers



Blood Donation Drive



2024 MILESTONES & AWARDS



Community at Heart Award 2024



MAPPAC Charity Night 2024



PUTRA Brand Awards 2024



The Edge Billion Rigggit Club 2024

2024 ACTIVITIES

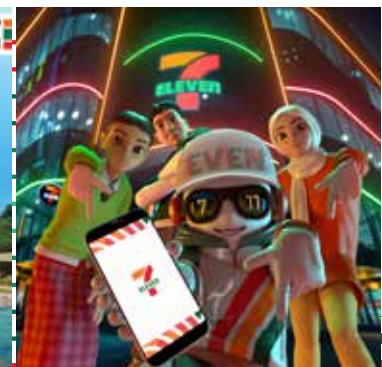
JANUARY



FEBRUARY



MARCH



2024 ACTIVITIES

APRIL



MAY



JUNE



2024 ACTIVITIES

JULY



AUGUST



SEPTEMBER



2024 ACTIVITIES

OCTOBER



NOVEMBER



DECEMBER



2024 ENGAGING SOCIAL MEDIA ACTIVATION

We hold the largest social media community among C-Stores, with **over 2.3 million fans and followers** across key social media platforms.



2024 ENGAGING SOCIAL MEDIA ACTIVATION



Achieved **235 million** video views and **over 33 million** social engagements.

SUSTAINABILITY STATEMENT

ABOUT THIS REPORT

7-Eleven Malaysia Holdings Berhad ("SEM" or "the Group") weaves sustainability into the fabric of operations as the nation's largest 24-hour standalone convenience store operator. With an extensive network across Malaysia, we recognise our vital role in shaping a greener, more inclusive future.

Guided by our core values, we approach challenges with a steadfast commitment to integrating environmentally responsible practices and fostering positive social impact. From minimising our environmental impact to uplifting local communities, our initiatives embody a purpose-driven approach that places people and the planet at the forefront.

Staying true to our tagline, "Always There for You", we extend our commitment beyond convenience to being a reliable partner in building a sustainable tomorrow. Transparency remains at the heart of our journey. Transparent and accountable reporting builds trust and confidence with stakeholders by clearly demonstrating the concrete actions we are taking to align our growth with the needs of the world around us.

Together, we are redefining convenience with a conscience, ensuring our actions today contribute to a brighter future for future generations.



This Sustainability Statement covers SEM's key business segments, including the Convenience Stores segment ("7E") and the directly managed subsidiaries in which the Group holds a majority ownership.



1 January to 31 December 2024,
aligning with SEM's Financial Year.



Annually



SEM employed the following frameworks to guide the development of its reporting content:

- Global Reporting Initiative ("GRI") Universal Standards
- Bursa Malaysia Sustainability Reporting Guide
- FTSE4Good Bursa Malaysia ESG Index
- ISO 26000 Social Responsibility
- United Nations Sustainable Development Goals ("UNSDGs")
- Task Force on Climate-Related Financial Disclosures ("TCFD")



The Risk Management and Sustainability Committee ("RMSC") reviewed the content of this Sustainability Statement to ensure its accuracy before final approval by the Board of Directors ("Board"). SIRIM QAS International Sdn Bhd also performed limited assurance of this disclosure, detailing the scope and findings of the assurance on page 82 of this Annual Report.



SEM values the support and feedback of stakeholders to drive continuous improvement in its sustainability efforts. For inquiries or further information about this Sustainability Statement or our sustainability initiatives, please contact us at ir@7eleven.com.my.

SUSTAINABILITY STATEMENT

PAVING THE WAY TOWARDS SUSTAINABLE, ECO-FRIENDLY CONVENIENCE

As Malaysia's leading convenience store chain, SEM acknowledges its responsibility to drive a sustainable future. We are committed to minimising our impact by adopting innovative practices that reduce waste, conserve resources and lower carbon emissions throughout our operations. We prioritise strengthening our local supply chain, creating job opportunities and contributing to social well-being. Fostering collaboration across our entire value chain helps establish a circular operating model that ensures long-term sustainability and creates lasting positive impacts on the environment and society.

SUSTAINABILITY STRATEGY AND FRAMEWORK

SEM's sustainability strategy is built on a strong foundation that aligns with Bursa Malaysia's EES ("Economic, Environmental and Social") framework. It covers key elements across "People", "Planet" and "Product". We have set clear targets in key areas, continuously assessing our impact and aligning with global agendas, initiatives, and aspirations such as the TCFD, decarbonisation goals, the pursuit of net-zero emissions and the United Nations Sustainable Development Goals ("UNSDGs"). As a convenience store chain, we can only achieve these goals with the active contributions of our entire supply chain. Through these collective efforts, we strive to create a positive and lasting impact on the environment and society while contributing to global sustainability objectives. Our progress toward these targets will be transparently reported in each sustainability statement, ensuring accountability and continuous improvement.



PRODUCT

- We are committed to addressing economic considerations. To minimise our environmental impact, we initially prioritise eco-friendly packaging materials for our private label products and favour recyclable and reusable materials. In collaboration with key stakeholders, we are establishing sustainable sourcing practices.



PEOPLE

- Our comprehensive training programmes equip employees with the skills and knowledge for an empowered workplace. We do not tolerate discrimination and resolutely follow fair and inclusive practices. We also invite our employees to participate in Corporate Social Responsibility ("CSR") activities.



PLANET

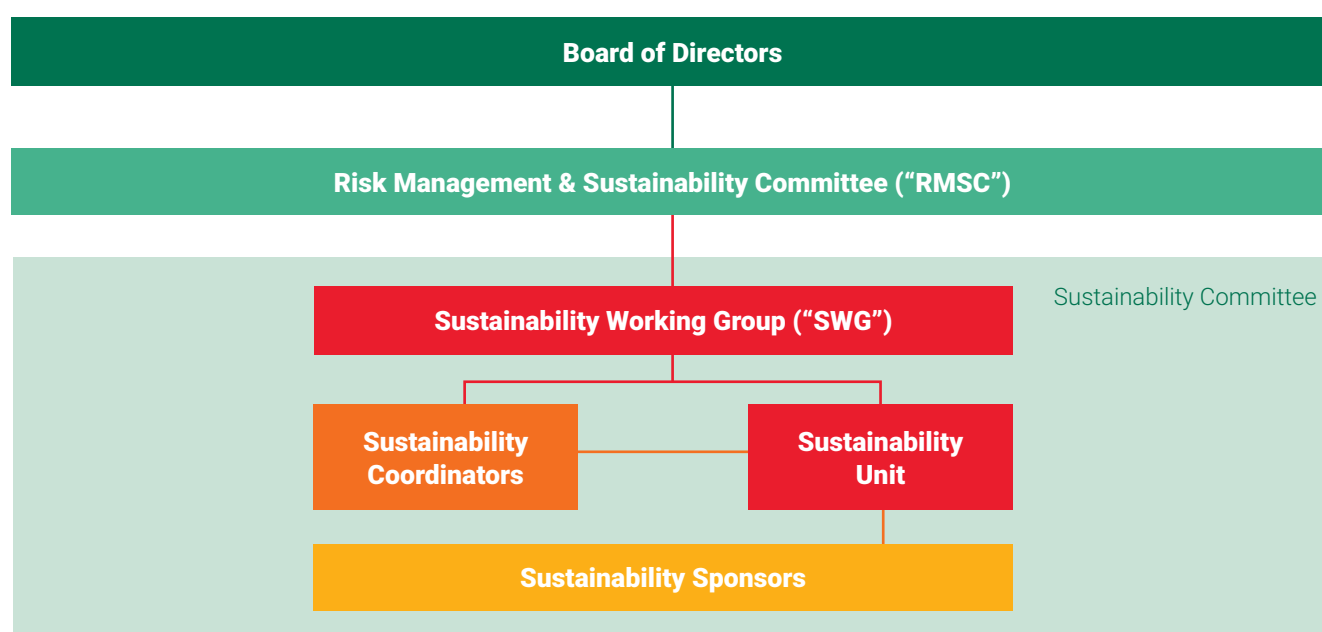
- We pioneer initiatives that significantly and positively reduce our environmental impact, such as prioritising energy conservation, minimising our carbon footprint and implementing efficient food utilisation and waste management practices.

SUSTAINABILITY STATEMENT

SEM SUSTAINABILITY GOVERNANCE

The Board oversees the Group's sustainability, including strategy, targets, prioritisation, risks and opportunities, and is predominantly responsible for seamlessly integrating sustainability into operations, with assistance from the RMSC. Ultimately, the Board is accountable for overseeing Group sustainability matters, including but not limited to sustainability strategy and targets, materiality assessments and climate-related risks and opportunities.

The Sustainability Working Group ("SWG"), comprising representatives from diverse divisions, leads the execution of sustainability. The SWG conducts risk analyses and presents action plans, new initiatives and budget proposals to the Board. This comprehensive approach is reinforced by dedicated sustainability units within our convenience store arm, ensuring a cohesive and effective sustainability management framework. The Board receives quarterly updates on targets, performance metrics, progress and the scorecard, allowing for comprehensive assessment and strategic decision-making.



Recognising the critical importance of business continuity and sustainability, the RSMC is establishing a comprehensive Business Continuity Management ("BCM") framework. This strategic initiative aims to enhance organisational resilience by setting clear standards and guidelines for effectively responding to disruptions, safeguarding the Group's stakeholders, reputation, brand and essential operations.

The BCM framework will outline recovery procedures and allocate the necessary resources to restore and resume critical business functions during significant interruptions. It will also complement the Group's Enterprise Risk Management ("ERM") framework, fostering an integrated approach to identifying, addressing and monitoring risks that could affect the Group's ability to achieve its strategic objectives.

SUSTAINABILITY STATEMENT

SUSTAINABILITY RISK MANAGEMENT: EMBRACING A HOLISTIC APPROACH

Sustainability risk management is fully integrated into the SEM's overall risk framework, considering environmental, social and governance ("ESG") factors in all decision-making processes. This integration allows us to identify, assess and mitigate risks that could impact our long-term growth and reputation.

SEM evaluates capital expenditures ("CAPEX") and operational expenditures ("OPEX") through a sustainability lens:

- Carefully assessing CAPEX for investments in store expansions, infrastructure and technology to ensure they align with SEM's sustainability goals and considering their environmental and social impacts
- OPEX, such as energy use, waste management and supply chain practices, to minimise our environmental footprint and improve resource efficiency

SEM ensures that investments and operations support responsible business practices. This approach reduces risks, promotes positive environmental and social outcomes, and strengthens our resilience in an increasingly sustainability-conscious market.

BALANCING SUSTAINABILITY RISK AND OPPORTUNITY

SEM operates in a dynamic retail environment where integrating sustainability into risk management is vital for long-term growth. Our sustainability risks and opportunities balance focuses on elevating operational resilience, customer satisfaction and environmental stewardship.

ECONOMIC FACTORS

Risk	Opportunity	Mitigation Approach
Economic Downturn: Reduced consumer spending affecting sales and profitability	Value Focus and Diversification: Introduce more budget-friendly products, expand essential services and diversify revenue stream	Implement dynamic pricing, optimise inventory management and explore partnerships for cost-effective offerings.
Inflationary Pressures: Rising costs of goods, labour and utilities	Efficiency and Cost Optimisation: Streamline operations, optimise supply chains and invest in energy-efficient technology	Negotiate long-term supplier contracts, adopt energy-saving measures and reduce waste.
Intense Competition: Pressure from similar retailers and online platforms	Differentiation and Customer Experience: Enhance store experience, brand attachment and leverage technology	Invest in training, develop a unique store structure and implement targeted marketing.
Supply Chain Disruptions: Risks from global events and logistics challenges	Supply Chain Resilience: Diversify suppliers, improve logistics and leverage technology for efficiency	Build strong supplier relationships, develop contingency plans and invest in supply chain tracking tools.
Digitalisation: Threats from rapid digital adoption	Agility and Digital Integration: Adapt to new trends, invest in technology and research the feasibility of online presence	Monitor market trends, invest in R&D and develop robust e-commerce and delivery strategies.

SUSTAINABILITY STATEMENT

ENVIRONMENTAL FACTORS

Risk	Opportunity	Mitigation Approach
Environmental Impact: Risk related to waste generation, energy use and carbon footprint	Sustainability Leadership: Implement green initiatives, reduce waste and enhance eco-friendly practices	Adopt waste reduction programmes, promote recycling and invest in sustainable packaging.
Regulatory Pressures: Stricter environmental laws and compliance costs	Compliance Leadership: Proactively align with regulations and demonstrate responsible business practices	Stay updated on environmental policies, invest in compliance training and integrate sustainability into operations.
Rising Demand for Climate Action: Customers and stakeholders expect more substantial commitments to reducing emissions and climate-related risks	Climate Strategy and Green Innovation: Invest in renewable energy, carbon reduction initiatives and sustainable operations	Set science-based carbon reduction targets, adopt energy-efficient technologies and expand partnerships for climate-positive initiatives.

SOCIAL FACTORS

Risk	Opportunity	Mitigation Approach
Changing Customer Preferences: Demand for healthier, sustainable and ethically sourced products	Product Innovation and Sustainability: Expand healthier options	Conduct market research, partner with ethical suppliers and implement transparent product labelling.
Labour Shortages and Rising Costs: Difficulty in recruitment and retention due to wage pressures	Employee Engagement and Productivity: Improve benefits and work culture and invest in automation	Offer competitive compensation, recognition programmes and skill development opportunities.
Regulatory and Compliance Risks: Legal obligation regarding labour laws, food safety and ethical business practices	Ethical Business Leadership: Proactively ensure compliance and promote corporate responsibility	Implement training programmes, engage with regulators and maintain strong governance frameworks.
Cybersecurity Threats: Data breaches and operational disruptions	Security and Digital Transformation: Strengthen cybersecurity measures while leveraging digital tools for business growth	Implement multi-factor authentication, conduct security audits and ensure compliance with data protection regulations.
Automation and AI Adoption: Potential job displacement and resistance to new technology	Process Optimisation and Data-driven: Use AI for inventory management and customer analytics	Provide upskilling programmes, communicate the benefit of automation and gradually phase in new technologies.

Building on the identified sustainability risks and opportunities helps SEM set clear, measurable goals to address these challenges and capitalise on opportunities. These goals guide the Company in mitigating risks, enhancing positive impact and driving long-term sustainability across its operations, supply chain and community engagements.

SUSTAINABILITY STATEMENT

SEM 2030 GOALS

Theme	Topics	Initiatives	Goals 2030
Economic	Food waste management	Turning food waste from food commissary into animal feeds	100%
		Awareness-raising activities for reducing food loss and waste	10 activities annually
	Packaging material management	Recyclable packaging material for 7-Eleven private label products	100%
	Legal governance	Number of major legal violations	0
	Information security	Number of annual data privacy and security violations	0
	Procurement	100% of active suppliers adhere to 7-Eleven's code of conduct	100%
Environment	Sustainable supply chain management	Reusable equipment in the supply chain (tote boxes, reusable pallets, milk crates and food trays)	100%
	Reduction of CO ₂ emissions	Electric material handling equipment in all distribution centres and food commissary	100%
	Energy efficiency	Installation of energy-saving equipment in all stores	100% of stores
Social	Support local community	7-Eleven community development	20% increase in contributions to annual community programmes year-on-year
	Employees voluntary programmes	Communities investment: Employees volunteer hours in Corporate Social Responsibility ("CSR") activities	20,000 hours annually
	Occupational safety and health	Zero Lost Time Injury Frequency Rate ("LTIFR")	0
	Employee welfare	Human capital development	Average 10 hours of training per year per employee
	Gender equality	Enhance gender balance in the workforce	Gender equality at 50%
	Customer health and safety	All private-label products are to have nutrition disclosure in compliance with the Malaysian Food Act 1983	100%
	Anti-corruption	The Anti-Bribery and Anti-Corruption Policy and Procedure ("ABAC") awareness programme to be conducted for employees	Three activities annually

SUSTAINABILITY STATEMENT

SUSTAINABILITY AWARDS AND RECOGNITIONS

SEM AWARDED 'COMPANY OF THE YEAR' AT THE SUSTAINABILITY & CSR MALAYSIA AWARDS 2024

SEM is proud to be named 'Company of the Year' at the 9th Sustainability & CSR Malaysia Awards 2024, recognising our ESG and corporate social responsibility excellence. The award highlights significant contributions to socio-economic transformation in Malaysia, including impactful initiatives supporting marginalised and underserved communities. Selected by a distinguished panel of judges, this honour celebrates the outstanding efforts of Malaysian corporations in driving sustainability and creating a positive societal impact.

SEM EARNS PRESTIGIOUS FOUR-STAR RATING IN FTSE4GOOD INDEX

SEM is honoured to achieve a four-star rating in the prestigious FTSE4Good Index, reflecting exceptional performance in ESG practices. The FTSE4Good Index, based on transparent and clearly defined ESG criteria, serves as a trusted tool for market participants in creating and assessing sustainable investment products. This recognition highlights our commitment to responsible corporate practices and sustainability.



We consider stakeholders vital partners; our tagline, "Always There for You," reflects our steadfast commitment to their support. We prioritise open communication and work closely with stakeholders to listen, value their feedback and foster collaboration.

Transparent and inclusive engagement builds lasting relationships that align with our shared goals. This approach reinforces our dedication to caring for the stakeholders and communities we serve, strengthening our commitment to sustainable practices that benefit all.

Stakeholder Engagement Communication Model

Stakeholder Groups	Engagement Channels	Areas of Interest	Our Response
Investors	<ul style="list-style-type: none"> Shareholder meetings Analyst/investors briefings Timely disclosure of information on the company website 	<ul style="list-style-type: none"> Group's overall performance Business strategy and plans Good management and corporate governance Dividend payouts Mitigation and adaptation to climate change 	<ul style="list-style-type: none"> Providing timely updates on the Group's strategy and financial performance Upholding good governance practices across the Group and supply chain Monitoring sustainability performance and targets Outlining climate reduction and adaptation strategies
Customers	<ul style="list-style-type: none"> Marketing promotions Website, social media and magazines Customer care channels Seminars and health programmes E-payment system 	<ul style="list-style-type: none"> Product pricing and offers Product assortments and quality E-commerce services Product safety and information Health issues Customer experience and loyalty Customer data privacy 	<ul style="list-style-type: none"> Expanding the range of affordable products and service offerings Adhering to quality standards Using customer-centric apps to enhance efficiency Strictly adhering to the Personal Data Protection Act ("PDPA")

SUSTAINABILITY STATEMENT

Stakeholder Engagement Communication Model (Cont'd)

Stakeholder Groups	Engagement Channels	Areas of Interest	Our Response
Employees	<ul style="list-style-type: none"> • Performance reviews • Intranet, newsletter and broadcasting • Occupational health and safety initiatives • Awards and recognition • Flexi-working hours • Job rotations and internal hiring 	<ul style="list-style-type: none"> • Business growth and strategic direction • Inclusive workplace • Remuneration and benefits • Corporate culture and values • Workplace safety • Career development and upskilling opportunities • Employee welfare 	<ul style="list-style-type: none"> • Promoting transparent communication with employees • Providing equal employment opportunities without discrimination • Offering industry-competitive benefits and remuneration packages • Providing relevant upskilling and development opportunities • Ensuring compliance with Occupational Safety and Health ("OSHA") 1994
Supply Chain Partners	<ul style="list-style-type: none"> • Health awareness partnerships • Product training and recalls • Supplier meetings and briefings • Human rights • Environmental initiatives 	<ul style="list-style-type: none"> • Partnership for growth • Efficient procurement process • Transparency • Capacity-building for suppliers • Health and safety of contractors' workers 	<ul style="list-style-type: none"> • Improving efficiency by digitalising procurement processes • Delivering capacity-building programmes for suppliers and contractors • Ensuring contractors' compliance with the Group's Health and Safety procedures
Community and NGOs	<ul style="list-style-type: none"> • Student internships • Health seminars • Free health screening services • CSR activities • Partnerships with Small and Medium Enterprises ("SMEs") 	<ul style="list-style-type: none"> • Community development • Medical education and awareness • Community care programme • Disaster assistance • Waste and energy reduction strategies 	<ul style="list-style-type: none"> • Investing in the community to improve societal well-being • Engaging periodically with local communities
Government and Regulators	<ul style="list-style-type: none"> • Regulatory seminars and conferences • Ethics and transparency-related policies • 3R recycling initiatives 	<ul style="list-style-type: none"> • Compliance • Ethics and transparency • Food security issues • Sharing of best practices • Environmental initiatives 	<ul style="list-style-type: none"> • Regular reviewing and monitoring of the risk register, including climate-related risks • Full compliance with regulatory requirements • Adoption of practices outlined in the Malaysian Code on Corporate Governance • Support government initiatives

DRIVING IMPACT THROUGH MATERIALITY

Materiality underpins SEM's sustainability strategy, aligning business practices with stakeholder priorities and global standards. In 2024, SEM's materiality approach focuses on sustainability topics that significantly influence the Group's business performance and long-term value creation.

SEM conducted a comprehensive Stakeholder Materiality Survey to identify and prioritise these topics. This survey captured perspectives from key stakeholder groups, including investors, customers, regulators, employees, suppliers and NGOs. Respondents evaluated the importance of various ESG topics based on their potential impact on SEM's operations and strategic goals.

SUSTAINABILITY STATEMENT

THE METHODOLOGY

The survey used a five-point scale, where 1 indicated "Very Unimportant" and 5 indicated "Very Important". To ensure balanced representation, SEM calculated average scores for each stakeholder group separately, regardless of the number of responses. The Group then aggregated these group-level scores to derive an overall importance score for each topic.

Stakeholder Groups Involved in SEM Materiality Study 2024






















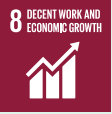




The following topics were identified and assessed during the materiality process:

Description of Materiality Study Topics

Topic	What We Do	Corresponding GRI	Corresponding UNSDGs
Economic			
Regulatory Compliance	SEM adheres to all relevant laws and regulations, ensuring compliance across operations.	<ul style="list-style-type: none"> Anti-competitive behaviour Environmental compliance Socio-economic compliance 	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Supply Chain Management	SEM integrates environmentally and socially viable practices into the complete supply chain life-cycle.	<ul style="list-style-type: none"> Procurement practices Supplier environmental assessment Supplier social assessment 	8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Market Reach	Providing seamless convenience allows SEM to reach a broader customer base.	<ul style="list-style-type: none"> Indirect economic impacts 	1 NO POVERTY, 3 GOOD HEALTH AND WELL-BEING, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE, 11 SUSTAINABLE CITIES AND COMMUNITIES
Environment			
Energy & Climate Change	SEM manages energy and greenhouse gases effectively and reduces them whenever possible.	<ul style="list-style-type: none"> Energy Emissions 	3 GOOD HEALTH AND WELL-BEING, 7 AFFORDABLE AND CLEAN ENERGY, 8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION, 14 LIFE BELOW WATER, 15 LIFE ON LAND






SUSTAINABILITY STATEMENT

Description of Materiality Study Topics (Cont'd)

Topic	What We Do	Corresponding GRI	Corresponding UNSDGs
Environment			
Waste Management	SEM implements a recycling programme to address key waste streams, such as plastic, food and paper, while optimising waste disposal methods.	<ul style="list-style-type: none"> Waste 	    
Social			
Diversity, Inclusion & Non-discrimination	SEM promotes diversity and equal opportunities and eliminates all forms of workplace discrimination.	<ul style="list-style-type: none"> Diversity and equal opportunity Non-discrimination 	  
Community Engagement	SEM actively engages with underserved communities through charitable initiatives, volunteering and partnerships to reduce social disparities and improve access to resources.	<ul style="list-style-type: none"> Local communities 	 
Human Rights	SEM ensures compliance with global human rights standards, offers fair wages, equal opportunities and a safe working environment for all employees and promotes inclusive growth.	<ul style="list-style-type: none"> Human rights assessment Rights of indigenous peoples Security practices Child labour Forced Or Compulsory Labor 	   
Employee Engagement	Providing programmes prioritising work-life balance, mental health and employee satisfaction delivers a supportive and empowering environment for the entire workforce.	<ul style="list-style-type: none"> Labour/management relations Freedom of association and collective bargaining 	
Training and Talent Development	SEM offers continuous learning opportunities, leadership training and skills development to empower employees and foster long-term career growth.	<ul style="list-style-type: none"> Employment Training and education 	     
Occupational Health and Safety	SEM maintains stringent health and safety standards, conducts regular training and provides protective measures to safeguard employee well-being and ensure a safe working environment.	<ul style="list-style-type: none"> Occupational health and safety 	  

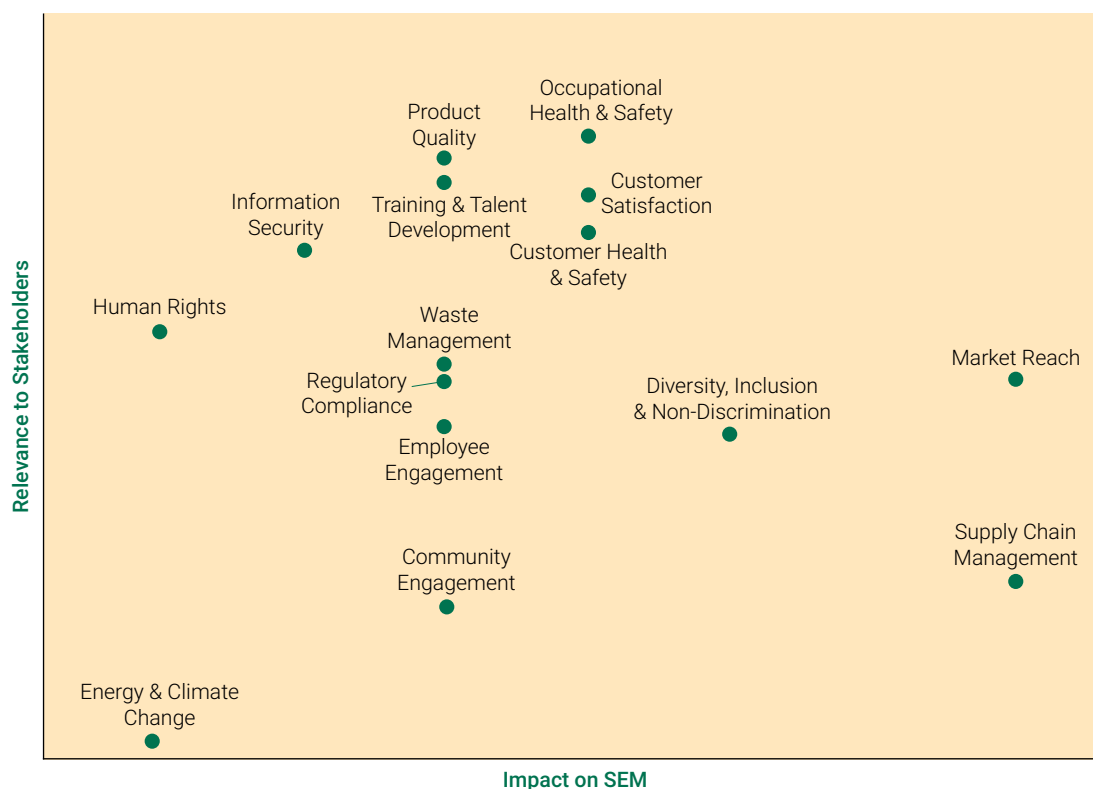
SUSTAINABILITY STATEMENT

Description of Materiality Study Topics (Cont'd)

Topic	What We Do	Corresponding GRI	Corresponding UNSDGs
Social			
Customer Satisfaction	SEM listens to customers' needs and continuously improves its product range to deliver a fulfilling retail experience.	• Non-GRI topic	
Customer Health & Safety	SEM addresses safe consumption and healthy nutrition through health and safety standards, marketing, labelling and awareness.	• Customer health and safety	
Product Quality	SEM establishes stringent quality and assurance processes throughout all operations.	• Customer safety and health • Marketing and labelling	 
Information Security	SEM protects all information, including confidential business data, employee information and customers' data privacy.	• Customer privacy	

Materiality Matrix

SEM visualised the results through a Materiality Matrix, mapping each ESG topic according to its relevance to stakeholders (x-axis) and its impact on SEM's business (y-axis). This matrix highlights the most material issues, supporting better alignment between stakeholder expectations and business priorities.



SUSTAINABILITY STATEMENT

Materiality Outcomes

The insights from the survey shape SEM's sustainability focus, ensuring efforts target areas with the highest potential for impact. The Board of Directors reviewed and approved the materiality results on 15 April 2025 reinforcing their commitment to embedding sustainability into SEM's strategy and decision-making processes.

ECONOMIC SUSTAINABILITY

SEM is at the forefront of driving economic sustainability by supporting local businesses, fostering community growth and maintaining the highest ethical standards for supply chain practices. As a leading convenience store chain, SEM is pivotal in sourcing products from a broad spectrum of suppliers, stimulating demand for locally produced Malaysian goods. This approach creates thousands of jobs nationwide and ensures that essential products remain accessible to communities nationwide. By continually investing in advanced technology, optimising distribution networks and prioritising sustainable practices, SEM is laying the groundwork for long-term business resilience. These forward-thinking strategies secure the Company's future viability and contribute to the broader societal well-being, reinforcing SEM's commitment to delivering meaningful and lasting value to the economy and the communities it serves.

SUSTAINABLE VALUE CHAIN

SEM seamlessly integrates sustainability into the entire value chain, from sourcing to logistics. Placing significant emphasis on embedding best practices into policies and processes ensures that sustainability is at the core of every decision. Close collaboration with suppliers, procurement teams and logistics partners further supports this commitment.



Through these measures, SEM ensures that sustainability is not just a goal but a driving force throughout its supply chain, promoting positive environmental and social outcomes across operations.

Five Main Principles of SEM's Vendor Code of Conduct



SUSTAINABILITY STATEMENT

ENVIRONMENTAL SUPPLY CHAIN

SEM integrates social and environmental considerations into its comprehensive supplier-sourcing assessment process. This approach focuses on reducing greenhouse gas emissions, conserving energy and water and ensuring compliance with environmental laws and regulations.

- **Seamless Integration of Environmental Policies:**
SEM embeds environmental policies into its supply chain process and communicates sustainability goals and expectations to key suppliers through formal meetings, training sessions and workshops.
- **Vendor Code of Conduct:**
SEM's Vendor Code of Conduct outlines the environmental responsibilities it expects from all suppliers. It encourages vendors to implement effective and innovative environmental management systems to manage their environmental impacts. Suppliers must take the following actions:
 - o Use natural resources, water and energy responsibly.
 - o Source materials ethically and responsibly.
 - o Use non-toxic chemicals.
 - o Conserve resources and promote recycling.
 - o Implement comprehensive waste management systems to manage, reduce, reuse, and/or prevent waste.
 - o Prevent pollution.
 - o Adopt environmentally friendly technologies.
 - o Measure climate change impacts and assess biodiversity impacts.

These actions help SEM ensure its supply chain remains environmentally responsible and aligned with global sustainability standards.

Elements Assessed in Our Supplier Sourcing Processes

Energy use	Climate change impact measurement including greenhouse gas emissions	Water use	Biodiversity impacts
Pollution	Waste reduction	Resource use	Other environmental issues

SEM conducts a thorough environmental risk assessment for all potential and new suppliers to ensure alignment with its environmental standards. We extend this process to existing suppliers, especially those identified as high-risk, through both scheduled and ad-hoc reviews. Our ongoing supplier visits in FY2024 have revealed no significant non-compliance with environmental standards.

Environmental Risk Assessments:	<ul style="list-style-type: none"> • Every new and potential supplier undergoes an environmental risk assessment to ensure alignment with SEM's sustainability standards. • High-risk suppliers undergo periodic, ad-hoc and scheduled reviews to ensure they adhere to our environmental expectations.
Collaborative Industry Engagement:	SEM actively participates in industry workshops and initiatives to drive environmental sustainability in the supply chain. We collaborate with organisations like the Malaysia Retail Chain Association ("MRCA") and the Malaysia Retailers Association ("MRA"), which focus on advancing supply chain environmental sustainability.
Supplier Collaboration and Green Journey:	We encourage our suppliers to join us on our green journey by: <ul style="list-style-type: none"> • Monitoring, reporting and sharing their environmental performance and reduction efforts. • Using the tools we provide to assess their environmental footprint and identify areas for improvement. • Rewarding suppliers who make notable progress in reducing their environmental impact. • Minimising biodiversity impacts, reducing pollution and practising resource waste reduction.
Adoption of Green Technologies:	SEM is committed to adopting green technologies to track and reduce greenhouse gas emissions and energy usage throughout our supply chain. We regularly collaborate with suppliers to review packaging materials and maintain an in-house sustainability database to support continuous improvement.

SUSTAINABILITY STATEMENT

SOCIAL SUPPLY CHAIN

Major supply chain partners must adhere to all social standards stipulated by Malaysian Labour Law and the International Labour Organisation ("ILO"). The Group's formal Ethical Code of Conduct for suppliers includes terms to ensure suppliers treat their workers fairly.

Terms and Principles Included in SEM's Ethical Code of Conduct to Ensure Workers are Fairly Treated



- **Workers protection rights**

- Are not exploited, specifically safeguarding against child and forced labour
- Are treated with dignity and respect
- Work in a safe environment with ample mitigating measures that safeguard workplace risks and hazards
- Enjoy freedom of association and may exercise their rights and bargain collectively by joining a union, assembling peacefully and negotiating pay increases
- Do not experience sexual and other harassment and violence
- Equally treated and do not experience discrimination of any kind, including gender, religious views, sexual orientation, age and race
- Are compensated fairly for working overtime and abide by regulations on working hours
- Receive salaries that meet or exceed Malaysia's minimum wage

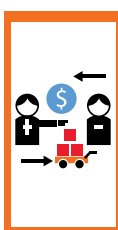
Supplier
assessment
criteria

- Recognised quality certifications or equivalent quality assurance
- Health and safety work policies
- Measures that protect employee health and safety in the workplace
- Meet or exceed local minimum wage

Other requirements
for suppliers
(new and existing)

- Undergo social risk assessment regarding social issues as part of due diligence
- Must comply with relevant employment laws, rules and regulations
- Must exhibit professional conduct at all times

Suppliers Support: Nurturing Growth Together



SEM integrated the social supply chain policy and practices into buyer training, purchasing policy and suppliers' contracts.



Suppliers' social supply chain codes are communicated in English and relevant languages through purchasing policy, supplier contracts and training.



Major suppliers are encouraged to inform workers of social obligations in a language they can understand.



New and existing major suppliers undergo social risk assessment as part of due diligence to ensure they comply with our standards.



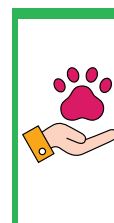
Major suppliers, particularly those identified as 'high risk', are assessed informally and formally, and if necessary, through physical inspection audits.



125 vendors and subcontractors were monitored and audited in FY2024 with no non-compliance recorded.



SEM continues supporting suppliers through continuous capacity building and sharing best practices.



SEM and its suppliers work together on animal welfare, ensuring ethical and humane treatment is a fundamental consideration across operations.

SUSTAINABILITY STATEMENT

PRIORITISING LOCAL HIRING AND PURCHASING

SEM is committed to supporting local talents by offering equal employment opportunities and prioritising local candidates over foreign workers. Advertising job openings widely through the career page, online portals, flyers and banners attract local applicants. Collaborations with educational institutions and agencies like PERKESO, HRDF and state governments enhance outreach and accessibility for local talent.

Sourcing from domestic suppliers actively supports local businesses. For example, our tote boxes for warehouse operations are purchased from local manufacturers, reinforcing its commitment to boosting the local economy.

SEM Local Procurement Strategies

Equal Opportunity for Local Talent

- We source our products and services locally whenever possible and practicable. We also prioritise local suppliers and SMEs at our events and in partnerships or collaborations to expand our range of private label and own-brand products..

Targeted Local Advertising

- SEM strategically utilises several platforms to attract local talent, such as highlighting positions on its career page, partnering with local online job portals, distributing community flyers and displaying banners in prominent local areas. This localised approach maximises visibility among local talent pools.

Skill-Based Hiring with Local Preference

- SEM prioritises the skills and experience required for the job during hiring. Preferring local talents supports the Group's commitment to supporting and uplifting the community through employment opportunities.

Partnerships for Enhanced Outreach

- SEM collaborates with local educational institutions and government agencies such as PERKESO, HRDF and state governments. This collaboration identifies talent, initiates skills development programmes and fosters a stronger connection with the local talent ecosystem.

Competitive Compensation and Benefits

- SEM attracts and retains top local talent by offering competitive remuneration packages. The Group's comprehensive benefits programme includes healthcare, retirement plans and various perks that ensure employees' well-being and satisfaction.

Supportive Work Environment

- Recognising the potential difficulties certain employees face, SEM provides comfortable accommodation for those in need and complimentary transportation services. This dedication lets employees concentrate on their responsibilities, free from housing or commuting worries.

UPHOLDING ETHICAL BUSINESS PRACTICE

SEM upholds the highest standards of ethics and integrity to prevent unethical behaviour. The Code of Conduct and Business Ethics ("CCBE") provides clear expectations for business practices, with a zero-tolerance policy toward corruption, including bribery, kickbacks, fraud and money laundering. All board members and employees fully commit to and comply with the CCBE and SEM's Anti-Bribery and Anti-Corruption ("ABAC") Policy.

SUSTAINABILITY STATEMENT

Training and Awareness

- Board Participation: This year, the Board took part in anti-corruption and anti-bribery (ABAC) training conducted by an external expert.
- Employee Engagement: Employees at various levels engaged in e-learning modules and online assessments focused on ABAC to equip them with the skills to identify and address ethical risks.

Promoting ABAC Policy

- All employees, subsidiaries and newly appointed service providers/vendors sign an Integrity Declaration Form, committing to ethical behaviour.
- ABAC policy pamphlets are distributed in 7-Eleven stores for staff reference, ensuring accessibility.
- Regular communications, including Co-CEO messages and festive-season gift declaration reminders, reinforce the importance of maintaining ethical practices.
- Displaying ABAC awareness posters on office TVs and featuring ABAC-related slogans on laptop wallpapers maintain a constant focus on ethical conduct.

No-Gift Policy & Holiday Reminders

- Our ABAC and No-Gift policies provide clear guidelines prohibiting bribery and corruption.
- Before the holiday season, we issue reminders about the need for gift declarations. Compliance is mandatory for contractors, suppliers and employees; non-compliance can lead to contract termination.

Corruption Risk Management

- SEM assesses and manages corruption risks through regular reviews of our risk register, enabling us to implement effective mitigation strategies.
- Contractors, subcontractors, intermediaries and third parties undergo corruption and bribery risk assessments to ensure they align with our compliance standards.

Whistleblowing Channel

- SEM provides a secure and anonymous whistleblowing channel encouraging individuals to report non-compliance issues, including bullying, harassment or bribery.
- We promote this channel through our Fit and Proper Policy, ensuring trained officers investigate all reports promptly.

Through these initiatives, SEM fosters a culture of integrity, prioritising ethical standards and making everyone accountable for upholding the highest levels of conduct.

POLITICAL CONTRIBUTIONS

SEM maintains a strict policy of non-affiliation with any political entity. We prohibit making political contributions or offering favours on behalf of the Company to ensure our business decisions remain impartial and free from political influence. This policy is crucial in maintaining the integrity and transparency of operations, ensuring ethical standards guide our actions rather than external political pressures.

Employees, directors and business associates are free to make personal political donations, but they must make them independently and must not link them to SEM in any way. Upholding this separation ensures that SEM's reputation remains untarnished. We continue to act in the best interests of our stakeholders without the influence of political affiliations.

SUSTAINABILITY STATEMENT

ENVIRONMENTAL SUSTAINABILITY

SEM is deeply committed to environmental sustainability and actively integrates eco-friendly practices into all operations. As Malaysia's largest convenience store chain, SEM works closely with suppliers to promote green initiatives and incorporates sustainable policies across its supply chains.

SEM formalised its Climate Change Policy this year, reinforcing its vision of achieving net-zero decarbonisation. Our Environmental Policy, supported by a strong governance and risk structure, aims to ensure clean operations, resource conservation, impact minimisation and compliance with environmental regulations. These initiatives help us continue to enhance environmental awareness and contribute to a sustainable future for the Company and the communities we serve.

ENERGY AND CLIMATE CHANGE MANAGEMENT

SEM is committed to reducing energy consumption and minimising environmental impact through continuous assessment, innovation and efficient practices. Evaluating processes, materials and technologies helps optimise resource usage, reduce waste and enhance overall efficiency.

ADDRESSING CLIMATE CHANGE: A GLOBAL CHALLENGE

Climate change presents one of the most significant challenges worldwide. SEM recognises the importance of minimising emissions across the entire value chain and acknowledges the severe consequences of climate change - both short-term and long-term - on business operations.

SEM focuses on enhancing operational efficiencies, which helps address the impact of climate change while improving overall effectiveness.

OUR APPROACH

The SWG, under the oversight of the RMSC, works together to ensure that SEM adopts the most effective strategies for managing our environmental footprint. Continuously monitoring progress and providing quarterly updates to the Board ensure we stay on track.



• Energy Use & Savings:

- Energy-saving LED lights installed in 100% of stores, with an investment of RM1.0 million.
- Air-conditioning units with 3- to 4-star ratings ensure optimal efficiency.
- New technologies to monitor greenhouse gas emissions and energy use.



Goal:

- To install energy-saving equipment in **100% of our stores by 2030.**

Key Actions & Initiatives

Energy Efficiency:

- Track and improve energy consumption across the organisation.
- Monitor emissions through automated systems.

Collaboration:

- Partner with employees and supply chain partners to implement energy-saving initiatives and conduct climate change risk assessments.

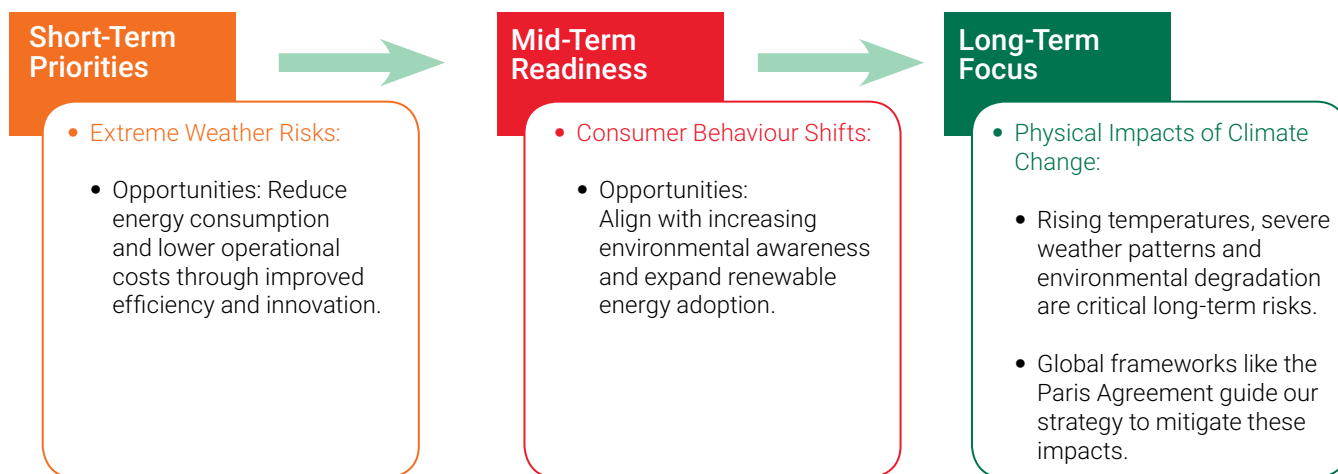
Technological Innovation:

- Seek out and implement new, green technologies to support our sustainability goals.

SUSTAINABILITY STATEMENT

CLIMATE CHANGE RISKS AND OPPORTUNITIES

Climate change presents risks and opportunities, from shifting market demands to physical environmental changes. SEM embeds the TCFD/IFRS S2 framework into operations to mitigate these risks and maximise opportunities.



GOVERNANCE AND STRATEGY

Board Oversight & Responsibility

The Board of Directors oversees climate initiatives, ensuring steady progress toward environmental goals. SEM adopted a Climate Change Policy this year to guide its approach across all operations and the supply chain. To maintain accountability, the RMSC holds quarterly meetings to review updates, assess challenges and make informed decisions for the Board's consideration.

Our Strategy for Addressing Climate Risks and Opportunities



RISK MANAGEMENT AND CLIMATE ADAPTATION

SEM assesses and manages climate-related risks through its ERM framework.

Strategic Focus



SUSTAINABILITY STATEMENT

METRICS AND TARGETS

SEM has set short-term, medium-term and long-term targets across key sustainability areas.

Carbon Emissions Tracking:	<ul style="list-style-type: none">• Following the GHG Protocol for accurate carbon emission data.
Carbon Neutrality Commitment:	<ul style="list-style-type: none">• Net-zero emissions by 2050.

We continue to track progress against these metrics, ensuring our commitment to carbon neutrality and environmental responsibility.

Carbon Footprint Scopes

Scope	What We Do
Direct energy consumption within the organisation (Scope 1)	Monitoring and recording the company vehicles' petrol and diesel use
Indirect energy consumption from energy use (scope 2)	<ul style="list-style-type: none">• Monitoring and recording the electricity consumption across our entire operations• Lighting 100% of our stores, HQ and DCs with LEDs• Improving the efficiency of air-conditioning and chillers upgraded, saving RM2.2 million.
Energy consumption outside the organisation from various stakeholders (scope 3)	Measuring the overall environmental impact of products from storage to delivery with the 7E Cross Dock System reducing the trip frequency by 80%

Carbon Footprint Calculations

Consolidation Method:	<ul style="list-style-type: none">• 100% of emissions from wholly-controlled stores, outlets and offices.
Organisational Boundary:	<ul style="list-style-type: none">• Accounts for 100% of GHG emissions across the Group.

Please refer to the Performance Data Table on page 75 of this Annual Report for detailed data on our environmental footprint.

Embracing a structured approach to climate risk management protects SEM operations while realising opportunities that arise from the global transition to a low-carbon economy. We position ourselves for long-term success while contributing to a healthier planet through our commitment to reducing emissions, improving energy efficiency and leading in sustainability.

SUSTAINABILITY STATEMENT

SCOPE 3: EMPLOYEES' DAILY COMMUTE TO WORK

Employee commuting generates significant CO₂ emissions. In 2024, SEM estimates the total annual emissions from the daily commutes of its workforce and tracks these emissions each year.

METHODOLOGY

In the last quarter of 2024, SEM launched a survey to gather data on employees' typical commuting methods, the approximate daily distance they travel and details about their vehicles, such as type, age, engine size and fuel used, for those who drive. Respondents could select up to three modes of transport to reflect their typical commuting patterns. SEM encouraged all employees to respond to the survey.

SEM used the UK Government GHG Conversion Factors for Company Reporting to calculate the emissions for each respondent. SEM then estimated the total emissions based on the assumption that employees work an average of 242 days annually.

RESULTS

In 2024, SEM employees travelled an estimated 131,527,293 km to and from work. The total yearly CO₂ emissions for employees commuting in 2024 were 19,176 tonnes.

Transport Type	Estimated Total Year Distance (km) of SEM	Estimated Total Yearly Emissions (MT CO ₂ e) of SEM*
Own vehicle	109,243,567	18,150
Local bus	2,836,111	308
Coach	213,241	6
Taxi	1,471,366	219
Light railway (LRT, MRT)	17,251,229	493
Walking	511,779	0
Total	131,527,293	19,176

* For more detailed Scope 3 emissions data, including a breakdown of all greenhouse gases, please refer to the Data Performance table at the end of the sustainability statement.

We recognise that employee commuting contributes to our overall emissions and remain committed to reducing this impact. As part of our efforts, the Group has long practised flexible work arrangements, including work-from-home options, to help lower commuting-related emissions. These arrangements are considered case-by-case and require approval from the respective Heads of Department. This approach balances our commitment to environmental responsibility with productivity and operational efficiency.

SEM CROSS DOCK SYSTEM

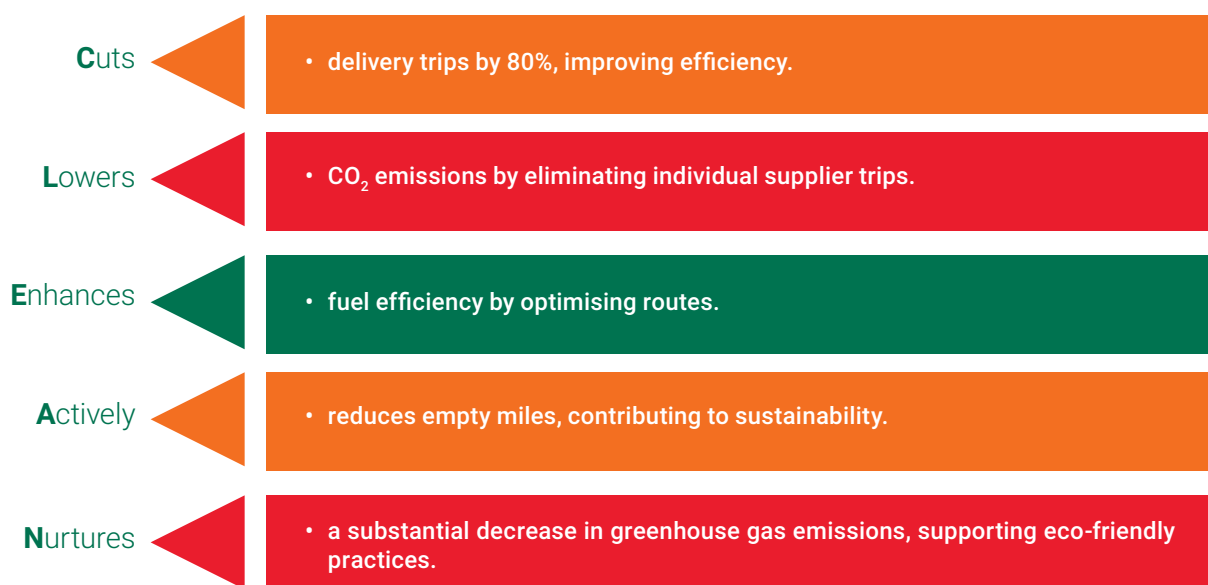
SEM strategically implements the 7E Cross Dock System to enhance supply chain efficiency while reducing its environmental footprint. Suppliers deliver products to our Centralised Distribution Centres ("CDC") through this system. The CDCs consolidate these products before being transported to regional cross-dock hubs and distributed to stores.

SUSTAINABILITY STATEMENT

SEM CROSS DOCK SYSTEM

SEM strategically implements the 7E Cross Dock System to enhance supply chain efficiency while reducing its environmental footprint. Suppliers deliver products to our Centralised Distribution Centres ("CDC") through this system. The CDCs consolidate these products before being transported to regional cross-dock hubs and distributed to stores.

CLEAN Benefits of the 7E Cross Dock System



Despite our growing store base, we aim to lower both diesel consumption and CO₂ emissions each year, as shown below:

Year	Diesel consumption: savings (litres)	CO ₂ Emissions: savings (tonnes)	Number of convenience stores
2022	357,561	1,036	2,472
2023	428,541	1,243	2,566
2024	847,998	2,459	2,635

EMISSIONS MANAGEMENT



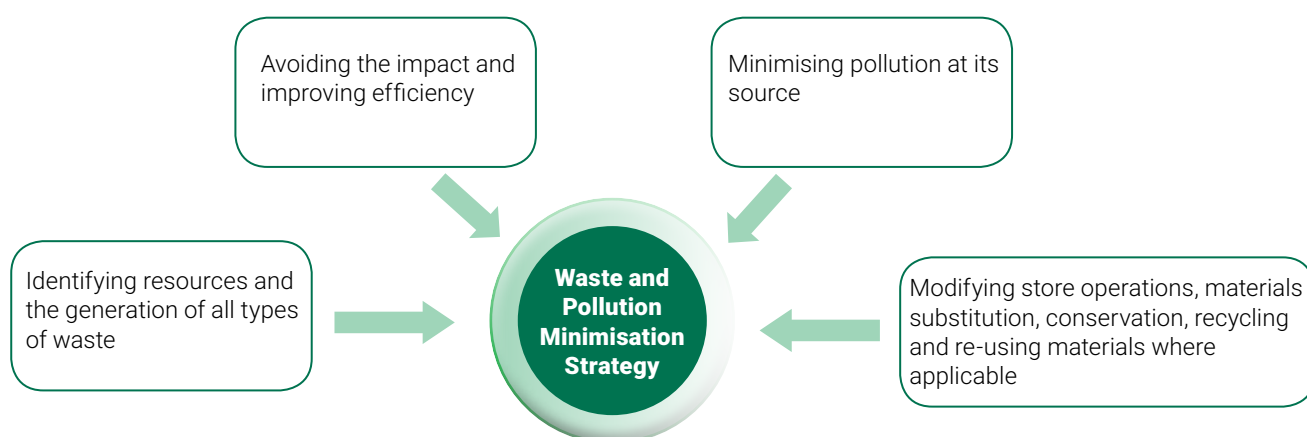
2030 Goal:

100% electric material handling equipment across all distribution centres and the food commissary.

POLLUTION AND WASTE MANAGEMENT

SEM actively manages resource utilisation to enhance efficiency and reduce waste generation. Committed to waste and pollution prevention, the Company optimises resource use and minimises its environmental impact by implementing waste reduction strategies across operations. Employing sustainable practices that reduce the volume of waste and mitigate pollution protects the environment through continuous pollution control improvements.

SUSTAINABILITY STATEMENT



Food Waste

Replenish Formula of Fresh Foods for Store Ordering: Optimises store ordering processes to reduce food waste.

Used Cooking Oil: 7CAFé Commissary sells used cooking oil to oil collectors for recycling.

Repurposing Bread Skins: Converts bread skins into bread crumbs and animal feed products.

New Cooking Equipment: Piloting speed ovens, chilled display cases and other innovative equipment enhances waste management efficiency.

Collaborating with Food Waste Experts: Exploring in-store food decomposition methods.

Ordering Training Class: Formulating a guide for store managers and the operations team to optimise replenishment orders.

Data-Driven Waste Reduction: Using historical sales trends and min-max shelf capacities reduce food wastage and write-offs.

By 2030, SEM will transform 100% of food waste into animal feed - wasting nothing, giving back everything! We aim to conduct 10 annual awareness campaigns addressing food loss and waste to support this goal.

Food waste is a significant challenge for convenience stores, requiring tough replenishment and reordering decisions. Striking the right balance between inventory needs and waste reduction demands a precise approach. SEM addresses this challenge with creative, forward-thinking solutions, one step at a time.

Food Waste Minimisation Solutions

- Avoiding over-stocking

- Reducing daily wastage, particularly for products with a short shelf life

- First-in-First-out (FIFO) inventory management

- Carefully controlling temperature to avoid food spoilage

SUSTAINABILITY STATEMENT

Plastic Waste

Slurpee: Using black paper straws is a more sustainable option.

Mobile Application (MY7E): Membership has always been downloadable through the MY7E App instead of the traditional plastic membership cards.

Say No to Plastic Bags Campaign for stores: Since September 2024, SEM has stopped providing or selling plastic bags in stores. Customers are encouraged to bring their own bags or purchase a 7-Eleven paper or reusable shopping bag as a sustainable alternative.

Packaging: Following manufacturers' lead by transitioning from plastic shrink-wrap to paper wrap for cluster packs. We are moving towards Ready-to-Drink packaging with drinkable openers and eliminating plastic straws.

Reusable Transport Containers: Reusing plastic pallets, tote boxes, food trays and milk crates to transport goods from our distribution centres to stores reduces plastic waste.

Paper Waste

- E-receipts and e-stamps are available for My7e app users, while we only issue physical receipts upon request.
- In line with government regulations, implementing e-invoices has reduced paper use and supported the Company's broader sustainability efforts. Digital invoices eliminate physical printing, contributing to a more eco-friendly operation.
- The SEM Electronic Workflow System ("EWS") digitises processes like purchase requisitions, contracts and tenancy management, enhancing efficiency, document tracking and approval speed while reducing paper use.

7EGOGREEN

Launched in 2024, the 7EGoGreen programme focuses on reducing SEM's carbon footprint through sustainability initiatives. This programme includes the Bring Your Own Cup ("BYOC") campaign and the Waste2Life recycling initiative as its core components. BYOC raises awareness and educates and engages with NGOs, NPOs, the public and employees through diverse activities and "call-to-action" initiatives. Promoting reusable cup usage and implementing effective recycling methods cultivates an environmentally conscious community while nurturing a culture of sustainability.

BRING YOUR OWN CUP

7CAFé introduced the 'Bring Your Own Cup' programme at all stores this year, offering a 5% discount on hot and cold beverages for customers who use reusable cups. The programme reduces plastic waste and promotes eco-friendly beverage consumption.



Achievement against Target:

As of December 2024, we have redeemed **8,778 cups**, reaching **97.5%** of our target to reduce plastic waste by minimising the use of 9,000 disposable cups.

SUSTAINABILITY STATEMENT

WASTE2LIFE

Waste2Life engages the community by collecting recyclable plastic and cardboard and hosting knowledge-sharing sessions on proper recycling practices. In collaboration with NGOHub and AFES, SEM organises a recycling event in the Rumah PPR low-income community to reduce waste, educate residents and encourage sustainable recycling habits. The agenda includes launching the '7eGoGreen' campaign, expanding waste management programmes and conducting employee workshops to raise awareness and drive participation in sustainability practices.



Achievement against Target:

SEM collected **2,793.70 kg** of recyclable plastic and cardboard, surpassing its respective targets of 80 kg and 100 kg.

WASTE RECYCLING AT CDC

CDCs generate recyclable waste, mainly consisting of corrugated cardboard boxes and plastics. Carton boxes, used for packing, storage and shipping products to stores, account for up to 90% of the total waste recycled.

Waste Recycled at CDC by the Convenience Store Division

Waste Recycled (kg)	FY2022	FY2023	FY2024
Corrugated Carton Boxes	735,630	811,220	791,962
Plastics	49,430	35,170	36,180
Total	785,060	846,390	828,142

GROWING WITH OUR PEOPLE

People are the driving force behind our passion, driving success through dedication and talent. Prioritising creating a safe, supportive and empowering workplace fosters professional and personal growth, enabling our team to excel in the dynamic retail industries.

We guide our commitment to fair employment practices with a comprehensive Code of Conduct and Business Ethics ("CCBE"), which we communicate in English and translate into other languages, including Bahasa Malaysia, as needed.

We actively engage in workshops and industry collaborations to enhance labour standards in Malaysia. Regular risk assessments evaluate the labour practices of our operations and supply chain partners, ensuring alignment with our ethical principles. We uphold human rights in line with local and global guidelines, including the United Nations Global Compact ("UNGC") and ILO standards.

EMPOWERING DIVERSITY, EMBRACING EQUALITY

SEM fosters an inclusive and diverse workplace with equal opportunities for hiring, promotion, career growth and rewards at the forefront. Discrimination based on race, religion, gender, age, sexual orientation, disabilities, or nationality has no place in our organisation.

We comply with local labour laws, prioritising local talent while valuing the diverse expertise needed to serve our broad customer base. Our stores actively encourage applications from the local community, promoting local employment and providing opportunities for individuals from underprivileged backgrounds or lacking formal education. Supporting capacity building and addressing youth unemployment empowers our workforce for long-term success and nurtures a thriving, skilled team.

Our commitment to fairness extends to remuneration, adhering to the "equal pay for equal work" principle and ensuring wage structures comply with local regulations. Upholding these principles inculcates a culture of inclusivity, respect and equity.

SUSTAINABILITY STATEMENT

EXPANDING HORIZONS IN EMPLOYMENT OPPORTUNITIES

SEM is committed to fostering career development by providing growth opportunities and nurturing talent. Our comprehensive training programmes focus on essential skills such as communication, time management, emotional intelligence and resilience. These initiatives enhance employees' abilities and leadership potential and promote overall well-being.

Examples of Training Conducted in 2024

Safety & Compliance	<ul style="list-style-type: none"> • Basic Occupational First Aid, CPR & AED • Introduction to First Aid & CPR training • MHE Forklift Train the Trainer Course • Food Safety Requirements in the Food Packaging Industry • HACCP Awareness & Internal Audit Training • Bagaimana Ingin Menjadi Penyelia Elektrik Kompeten Suruhanjaya Tenaga?
Leadership & Communication	<ul style="list-style-type: none"> • Senior Leadership Team Development Programme (Month 1) • Senior Leadership Team Development Programme (Month 2) • Effective Communication • Train The Trainer Certification
Technical & IT Skills	<ul style="list-style-type: none"> • IT Service Management Workshop • SAP Workshop • Ms Excel Intermediate • Data Visualisation & Storytelling
Finance & Accounting	<ul style="list-style-type: none"> • Budget 2025 - Key Updates & Changes for Corporate Accountants • MIA Webinar Series: Financial Reporting on Impact of Climate Change Effects • MIA Webinar Series: IFRS S1 & S2: The Essentials
Legal & Governance	<ul style="list-style-type: none"> • Hands-on-drafting & Clause Analysis of Major Commercial & Corporate Contracts • Important Industrial & Higher Court Decisions of 2023 • Managing Misconduct & Performance Workshop
Marketing & Sales	<ul style="list-style-type: none"> • Marketing Masterclass - Digital Marketing Training
Operations & Process Improvement	<ul style="list-style-type: none"> • Procurement Policies & Procedures Refresher • Total Compensation Management
Sustainability & ESG	<ul style="list-style-type: none"> • Professional Practical Series: Energy Savings Measurement & Calculation

SUSTAINABILITY STATEMENT

TRANSFER PROGRAMME

SEM's Transfer Programme addresses workforce needs in the Klang Valley by recruiting individuals from outside the region. Launched to support the Company's growing operations, the programme encourages employees from various states to join the team in the Klang Valley. This initiative promotes regional workforce distribution and creates opportunities for individuals to grow professionally in a dynamic environment.

In 2024, the programme successfully hired 74 employees. The top three states contributing the most recruits were Perak (18), Sabah (11) and Pahang (10). Two employees, Nur Shakilah, an assistant Superior from Perak and Mohd Alif, a store manager at Kedah, demonstrated a long-term commitment to the programme, with over 1.5 years of continuous participation.

HOLISTIC REWARDS AND BENEFITS

SEM offers exciting reward benefits and competitive remuneration to attract and retain top talent. Every aspect of employee compensation aligns with legal requirements, including living wages, minimum wages, overtime and mandated benefits. Our commitment to fair pay is further demonstrated through regular salary benchmarking studies to maintain competitiveness and equity across the industry.

OUR UNIQUE BENEFITS

In addition to competitive compensation, we provide employees with a comprehensive benefits package. Paid leave, overtime pay, professional memberships and medical coverage contribute to their well-being and professional growth. SEM also extends its support to employees' families through initiatives such as disaster relief donations and educational book subsidies for their children, reinforcing a deep commitment to the holistic support of the workforce.

SEM CARE: EMBRACING SOLIDARITY TOGETHER

Life can present unexpected challenges, so SEM supports employees during difficult times to ease their burdens. Relief initiatives, which complement a competitive pay and benefits package, aim to help those in need.

SEM offers disaster relief donations to employees affected by unforeseen events, providing financial assistance to help them through challenging situations.

Book subsidies for employees' children's education alleviate the financial pressures on families.

In 2024, SEM extended relief to 175 employees, including:

- Bantuan Prihatin Bencana (Flood, Fire Relief): RM500 to assist employees affected by natural disasters.
- Bereavement Assistance: RM500 for employees coping with the loss of immediate family members (parents, spouse or children).

COMPREHENSIVE WORK-LIFE BALANCE PACKAGE

SEM cultivates a workplace where employees feel valued, supported and empowered to thrive. Recognising that a happy and healthy workforce is integral to organisational success, SEM has implemented initiatives to promote employee well-being and work-life balance.

50% Gym Subsidy

- Eligible employees receive a 50% subsidy on gym memberships, encouraging a healthy and active lifestyle and making fitness more accessible and affordable to them.

Flexible Working Hours

- SEM understands the importance of balancing professional and personal commitments. Flexible working arrangements are provided, allowing employees to tailor their schedules to suit individual needs.

SUSTAINABILITY STATEMENT

ENGAGEMENT AND WELL-BEING JOURNEY

SEM prioritises employee well-being and engagement by fostering a vibrant, inclusive and supportive workplace. Our initiatives enhance physical and mental health, celebrate diversity and create a sense of belonging. In 2024, SEM organised various activities, categorising them into three main areas.

Health and Wellness

SEM encourages employees to lead healthy, active lifestyles through initiatives that promote physical fitness, mental well-being and safety

- **Fitness and Sports**
 - Badminton Club
 - Futsal Club
 - Futsal Competition
 - Kickboxing Class
 - Bowling Competition
- **Health and Mental Well-being**
 - Mental Health Webinar
 - Health Screening Programme 3.0
 - First Aid Training
- **Safety and Awareness:**
 - Defensive Driving Class

Celebrating Family and Personal Growth

Understanding the importance of balancing personal and professional lives, SEM implemented programmes that support family and personal development

- **Family-Friendly Initiatives:**
 - Bring Your Kids to Work Day
 - Parenting Talk
- **Financial and Personal Growth Support:**
 - KWSP Event
 - E-Filing Talk

Cultural and Social Engagement

SEM celebrates diversity and fosters a sense of community through festive events and social gatherings

- **Festive Celebrations:**
 - Chinese New Year Celebration
 - Deepavali Celebration
 - Christmas Celebration
 - SSC Raya Open House
 - Distribution of *Bubur Lambuk*
 - SSC Balik Kampung Initiative
- **Inclusive Observances:**
 - International Women's Day Celebration
 - International Men's Day Celebration
- **Community and Team Building:**
 - Annual Dinner
 - 7-Eleven Town Hall
 - 7-Eleven Day
 - Corporate Portraits Day

MEASURING WORKPLACE EMPLOYEE SATISFACTION

SEM recently conducted a comprehensive engagement survey, yielding overwhelmingly encouraging results. The findings underscored our key strengths while identifying opportunities for improvement, allowing us to advance as a people-focused organisation.

SUSTAINABILITY STATEMENT

The survey assessed employee responses across the following critical workplace drivers:

Career Development & Leadership

- Career with 7-Eleven
- Leadership Team
- Skills and Staffing
- Performance Management

Communication & Company Culture

- Communication within the Company
- Company Branding
- Employee Index
- Fear and Frustrations

Employee Well-being & Work-Life Balance

- Pay & Benefits
- Work-Life Balance
- Physical Workplace

Work Efficiency & Resources

- Work Processes and Resources

Following the survey, SEM held department-specific briefings and tasked Heads of Departments with addressing lower-scoring drivers through actionable improvement plans.

Targeted engagement surveys and focus groups for three departments requiring a sentiment pulse check furthered understanding, including group and individual sessions to explore sensitive feedback and uncover employee experiences.

CHAMPIONING GENDER EQUALITY AND WOMEN'S EMPOWERMENT

SEM has deeply embedded an unwavering commitment to gender equality and women's empowerment in its organisational values. The Group has set a target of achieving 50% gender equality. We actively supported initiatives that uplift women in various aspects of their lives throughout the year, including career development opportunities and employee benefits like flexible working hours.

• International Women's Day Celebration

To celebrate and honour women, SEM organised meaningful activities to promote appreciation and self-confidence:

Floral Arrangement Class

- Men and women created floral arrangements at this half-day workshop, wrapping a single flower to gift a woman they value. A mantra board displayed in the office common area invited employees to share notes of admiration for women who inspire them or embody the qualities they aspire to.

Basic Makeup Class

- This half-day workshop taught employees foundational makeup skills and techniques to enhance their confidence and self-expression.

These initiatives reflect SEM's dedication to creating an inclusive and empowering environment where everyone can thrive and feel valued.

SUSTAINABILITY STATEMENT

SAFETY AND HEALTH

Safety is a top priority. SEM upholds the highest safety and health standards throughout operations, strictly complying with the Occupational Safety & Health Act 1994. Systematic, comprehensive Hazard Identification, Risk Assessment and Risk Control ("HIRARC") measures protect employees and maintain a secure working environment.

SEM OCCUPATIONAL HEALTH & SAFETY POLICY

SEM strives to provide and maintain a healthy and safe working environment for its employees, contractors, customers, visitors and others who may be affected by our business operations. This includes:

- Ensuring compliance with all applicable health and safety laws
- Implementing effective occupational health and safety plans, operating procedures, crisis management manual at all levels of operations
- Establishing an occupational health and safety committee
- Establishing an emergency response team
- Providing information and training to cultivate safe working culture
- Ensuring effective communication on every individual safety

Target: **Zero LTIFR by 2030**

The Group has established an Occupational Safety and Health Committee ("OSHC"), overseen by the "RMSC". The OSHC consists of 13 employer representatives and 43 employee representatives, meeting quarterly to fulfil its SAFER responsibilities.



The Emergency Response Team ("ERT"), comprising essential functions, each with clearly defined roles and responsibilities, supports the Committee. The size and complexity of the incident determine the number of personnel required for the ERT. The Incident Commander may perform these duties directly or delegate them as needed.

SUSTAINABILITY STATEMENT

First Person On-Scene

- Take necessary personal protective measures
- Notify Supervisory Personnel or the Incident Commander of the incident
- Advise personnel in the area of potential threats and initiate evacuation procedures if required
- Eliminate potential ignition sources

Supervisory Personnel

- Take immediate response actions if first on the scene
- Restrict access to the incident area and take steps to minimise health and safety threats
- Request medical assistance if needed
- Obtain Safety Data Sheets and verify substances released
- Identify and isolate the source to reduce product loss
- Coordinate further actions with the Incident Commander and local responders

Incident Commander

- Activate the Emergency Response Team and additional resources if necessary
- Assess severity, potential impact, safety concerns and response requirements
- Confirm site safety aspects, such as personal protective equipment needs and evacuation requirements
- Provide incident briefings to company superiors
- Coordinate internal and external notifications
- Direct response and clean-up operations

In FY2024, SEM conducted key safety training programmes to enhance workplace safety and compliance:

- First Aid & CPR Training provided employees with essential skills to manage medical emergencies, including injury response and CPR techniques.
- Food Safety in Food Packaging focused on hygiene practices, regulatory compliance and preventive measures to ensure product safety.
- Hazard Analysis and Critical Control Point ("HACCP") Awareness & Internal Audit covered HACCP principles and internal auditing to manage food safety risks and ensure compliance.

A safety inspection at the new SSC office helped identify and address potential workplace risks.

STORE SAFETY

Convenience stores face hidden business risks, including heightened safety hazards for night-shift employees. We have implemented clear operating procedures for night operations to address these challenges, prioritising employee safety and well-being to maintain a secure working environment. Examples of initiatives include:

- **Working in Pairs:** Encouraging at least two employees on night shifts whenever feasible
- **Staff Emergency Preparedness:** Teaching employees to follow company policies in the event of a robbery by complying with the robbers and reporting the incident safely
- **OSHA Compliance & Audits Safety Audits:** Conducting regular workplace safety inspections and identifying hazards
- **Incident Reporting:** Documenting and addressing all workplace accidents or threats

SUSTAINABILITY STATEMENT

TALENT DEVELOPMENT

Comprehensive training programmes in FY2024 enhanced technical, managerial and operational skills across all employee levels.

Technical and Professional Skills Development

- Total Compensation Management
- SAP Workshop
- Microsoft Excel Intermediate
- Data Visualisation
- Digital Marketing
- International Financial Reporting Standards (IFRS) S1 & S2
- Budget 2025 Key Updates & Changes for Corporate Accountants

Leadership and Management Development

- Senior Leadership Team (SLT) Development Programme
- Managing Misconduct and Performance
- Train the Trainer

Safety and Compliance

- Introduction to First Aid & CPR
- Food Safety Requirements in Food Packaging Industry
- Hazard Analysis Critical Control Point (HACCP) Awareness & Internal Audit
- Food Handler (FH) Training

SUCCESSION PLANNING

Succession planning is key to long-term growth and operational resilience. SEM consistently enhances its performance management system, involving high-performing employees in defining key performance indicators and preparing them for increased responsibilities. In FY2024, SEM made significant progress in succession planning initiatives.

Identification of Successors

The annual review process identified over 20 new successors. Each candidate underwent a series of talent assessments, giving management deeper insights into the successor pool's potential and skill diversity.

Competency-Based Interviews

Piloting an additional phase of competency-based interviews for select candidates provided a more detailed understanding of their competencies and areas for development. This initiative enhanced the precision of developmental plans tailored to individual profiles.

SUSTAINABILITY STATEMENT

Acting Roles for Successors

Successors assumed acting positions following key resignations in critical roles to ensure leadership continuity, with notable examples including:

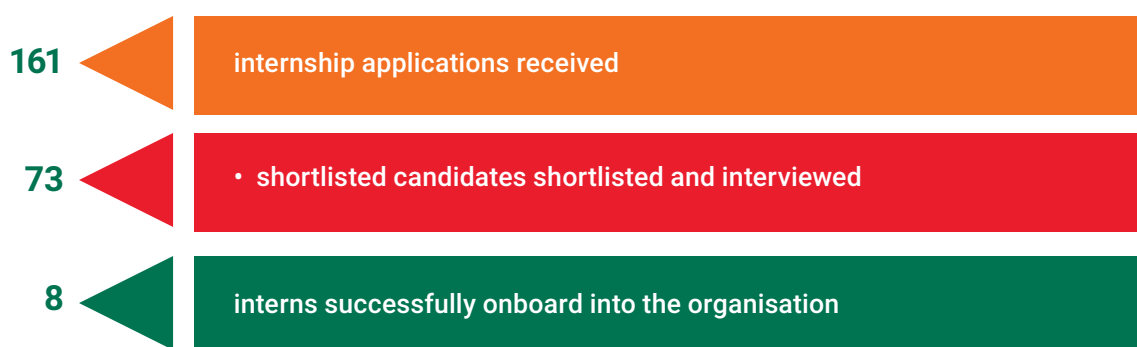
- Assistant General Manager ("AGM") of Franchise
- General Manager ("GM") of Operations
- GM of Marketing

These actions have strengthened SEM's leadership pipeline and bolstered its ability to navigate organisational transitions effectively.

BRIDGING OPPORTUNITIES AND WORKFORCE NEEDS

SEM is committed to nurturing talent and fostering industry development through initiatives that create opportunities for skill enhancement, youth employment and capacity building.

In 2024, SEM furthered its commitment to talent development through its internship programme, leveraging multiple platforms, including LinkedIn and university portals, to broaden access and attract a diverse pool of applicants.



In addition, SEM introduced the Trooper Programme in July 2024 to address critical workforce needs while providing gig workers with casual employment opportunities.

Objective:

- To hire casual labour for critical headcount stores and promote youth employment

Impact:

- Engaged 82 talents across four key regions

Locations involved:

- | | |
|-----------------------------------|---------------------------------------|
| • 7 Café Ampang KLCC (3 stores) | • 7 Café Subang (3 stores) |
| • 7 Café Bukit Bintang (2 stores) | • 7 Café Mont Kiara Sentul (3 stores) |

SUSTAINABILITY STATEMENT

EMPOWERING COMMUNITIES, CHANGING LIVES

SEM is committed to enhancing community well-being, consistently delivering on our promise of “Always There for You”. Through innovative programmes, we aim to foster a thriving and inclusive society. We strategically align our community initiatives with our business objectives, ensuring our efforts drive meaningful, sustainable impacts across all the communities we serve.



#BUATBAIKTOGETHER

7-Eleven launched the #BuatBaikTogether campaign, a six-week initiative held in the final weeks of 2024, inspiring nationwide generosity. The campaign encouraged initiative customers to purchase food, beverages, household essentials and other supplies from our stores and place them in contribution boxes at over 2,500 locations. Customers could also contribute by purchasing pre-packed care kits or making direct monetary donations at 7-Eleven stores.

7-Eleven matched each customer donation with an additional contribution to amplify the campaign's impact. In 2024, the campaign raised more than RM1 million, providing vital aid to 172 charity homes and non-profit organisations, demonstrating the collective power of kindness.

SEMURNI KASIH

Semurni Kasih is a signature initiative under 7-Eleven Malaysia's Community Care, a non-profit entity dedicated to corporate responsibility and philanthropy, supporting underprivileged communities and environmental conservation efforts.

Held annually during Ramadan, Semurni Kasih is a five-week campaign that encourages customers to contribute by donating purchased items at 7-Eleven stores nationwide. These contributions are collected in designated donation boxes and later distributed to those in need.

In 2024, the initiative successfully distributed RM1,409,149 worth of food and essential supplies to 195 regional charities and welfare organisations. Since its launch in 2010, Semurni Kasih has raised over RM28.5 million in donations, making a meaningful impact on countless lives.

By fostering a culture of generosity, 7-Eleven Malaysia continues to bridge communities and uplift those in need through the power of collective giving.

LEND A HELPING HAND

As part of our commitment to community support, 7-Eleven Malaysia invited customers to contribute by purchasing essential items - including food, beverages, household necessities and personal care products - at our stores. These items were placed in designated contribution boxes for distribution to charities and meaningful causes across Malaysia.

This collective effort successfully collected and distributed goods worth RM1,104,729 throughout the year, benefiting 202 NGOs and charity homes.

SUSTAINABILITY STATEMENT

BACK-TO-SCHOOL

SEM proudly supported the National Back-to-School Programme, ensuring children from low-income families had the essential supplies to begin their school year. In collaboration with the Ministry of Education, we provided school bags, stationery, water bottles and uniforms to students across six schools: SK Seri Bonus, SK Jalan Air Panas, SRJKC Wangsa Maju, SMK Taman Seri Rampai, SMK Tinggi Setapak and SMK Padang Tembak.

One hundred and seven primary and 56 secondary school students benefited from this initiative, receiving the necessary tools to support their academic journey.

RECOGNISING VOLUNTEERISM

SEM values volunteerism as a key aspect of its corporate culture and social responsibility. In 2024, we organised 11 employee volunteer programmes, offering staff opportunities to contribute to the community. The year-end performance appraisals account for participation in these programmes, with employees who complete a set number of CSR hours earning a 10% weightage in their Core Value KPIs.

RESPECTING HUMAN RIGHTS

We are unwavering in our commitment to safeguarding human rights across our operations and extended value chain. We conduct our business with the utmost integrity, ensuring complete alignment with global human rights frameworks, including:

- The Universal Declaration of Human Rights
- The United Nations Guiding Principles on Business and Human Rights
- The International Bill of Human Rights

SEM embodies its commitment to the Human Rights Policy and Code of Conduct, which apply to all stakeholders - employees, business partners, suppliers, customers and communities. These guiding documents outline essential principles to uphold and protect human rights within our workplace, operations and value chain. With versions available in English and Bahasa Malaysia, the SEM Code of Conduct is accessible to all employees, ensuring clarity and inclusivity. Regular training strengthens our team's understanding and reinforces their crucial role in safeguarding these values.

The Risk Management and Sustainability Committee is entrusted with specific responsibilities to ensure rigorous compliance with human rights standards. This structure guarantees that human rights considerations are embedded in every facet of our operations, maintaining a consistent and proactive approach to ethical business practices.

SEM Human Rights Focus Areas and Strategic Initiatives

Equality and non-discrimination	Eliminating all discrimination based on race, gender, age, ethnicity, religion, marital status, pregnancy, disability, political opinion, nationality or social origin: We assess and justify access to employment, development, training, compensation and rewards on merits, qualifications, performance, skills and experience.
Fair employment conditions	Full compliance with applicable laws and regulations concerning work hours, overtime hours, holiday and leave entitlements, minimum wages and legally mandated benefits: <ul style="list-style-type: none">• We follow the local working hours law, committing to reducing excessive working hours with a clear policy on multiple shifts.• We uphold our stand of 'equal pay for equal work' and fairly compensate employees, which is commensurate with the existing industry standard.• We ensure employee salaries meet or exceed minimum wage standards.
Safe and healthy workplace	We provide a safe, healthy and adequate working environment, safeguarding workplace risks and hazards. We also promote healthy work-life balance to improve employee well-being. Physical abuse, bullying and threats are prohibited.
Prohibition of harassment	We provide a workplace free from verbal, physical, emotional, sexual and other harassment. We have established our Sexual Harassment Policy and reporting channels.
Freedom of association and collective bargaining	We adhere to local law and adopt an open attitude, respecting employees' rights to freedom of association and collective bargaining.

SUSTAINABILITY STATEMENT

Prohibition of forced labour, human trafficking or child labour	SEM complies with local laws concerning the minimum age requirements for working. We do not tolerate any slavery, forced and involuntary labour, human trafficking and child labour. Checking the identity of local, foreign and migrant workers ensures their employment complies with labour and immigration laws.
Privacy and data protection	We treat all personal data with integrity, complying with all laws and regulations.
Ethical marketing and advertising	We maintain our products' quality and safety standards and responsibly market our products and services.
Responsible procurement	We commit to sourcing goods and services responsibly. All suppliers must comply with our Vendor Code of Conduct.

Continuously assessing our human rights impacts is part of our core business processes. Evaluating the effects of the business and setting targets drive continuous improvement. Our actions involve avoiding, preventing and mitigating human rights issues. We have implemented human rights screening, training and monitoring of internal operations and supply chain partners. We adhere to all applicable employment and human rights regulations where operations are based. Suppliers must do the same and at least abide by our Principles on Labour Practices and Human Rights.

The Group has taken action to improve workforce diversity and equal opportunities and reduce discrimination, including those based on the following:

Action Taken to Improve Workforce diversity and equal opportunities and reduce discrimination



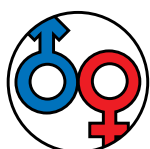
Race, Sexual Orientation and Nationality

- We welcome applications from individuals of all nationalities, sexual orientation and races. We take pride in celebrating all festive occasions and national days.



Religion

- Designated prayer rooms at the workplace accommodate various religious practices.



Gender

- A breastfeeding room in the workplace supports nursing mothers.



Age

- We offer equal training, promotion and appraisal opportunities for employees regardless of age.



Disabilities

- We eliminate discrimination in disability hiring and provide feasible assistance and an inclusive work environment.

SUSTAINABILITY STATEMENT

OPERATING RESPONSIBILITY

SEM maintains responsible operations across all aspects of its business. From sourcing and handling to stock management, product impact, pricing and availability, we consistently prioritise the safety and well-being of our customers. As a trusted retailer, we recognise our responsibility to manage a diverse range of products, especially food and other sensitive items.

Recognising the risks associated with mishandling certain products, we have established stringent in-house management standards. These protocols ensure that SEM rigorously upholds safety standards across all product categories, including fresh food, beverages and household essentials. As we expand our food service offerings, particularly in food safety, effective risk management remains critical to sustaining customer trust and ensuring their well-being.

Both local and international safety standards underpin our commitment to responsible operations. A comprehensive system carefully manages each stage of the product life cycle—from sourcing and handling to storage and delivery. This holistic approach guarantees the highest levels of product quality and safety, reinforcing our promise of "Always There for You" while providing our customers with the convenience, reliability and responsibility they expect from SEM.

CYBERSECURITY AND DATA PRIVACY

As Malaysia's largest convenience store chain, SEM manages significant customer data across multiple touchpoints, including membership sign-ups and activity participation. We uphold strict data governance practices, ensuring sensitive information remains secure through continuous monitoring and audit logs. SEM proactively reviews and enhances its systems to maintain the highest security standards, ensuring alignment with industry best practices.

We regularly update our systems with the latest security improvements, integrating these updates into our ongoing operations to maintain robust data security. SEM has implemented multi-factor authentication ("MFA") for accessing files, providing an added layer of protection to reduce the risk of unauthorised access.

QUALITY MANAGEMENT

SEM is fully committed to delivering the highest quality, safety and regulatory compliance standards across all our operations. This commitment extends from managing our products to ensuring the safety and satisfaction of our customers. We adhere strictly to relevant laws and industry standards, including:

- Malaysia Standard HACCP
- Malaysia Standard Good Manufacturing Practice ("GMP")
- Medical Device Authority Act 2012 (Medical Device Regulation 2012 and Medical Device (Advertising) Regulation 2019)
- National Pharmaceutical Regulatory Agency ("NPRA")
- Food Advertisement Guidelines by the Ministry of Health ("MOH")
- Guidelines on advertising of Medicine and Medical Products to the General Public

OUR COMMITMENT TO QUALITY

- We drive excellence in quality, safety and regulatory compliance through a dedicated programme
- We safeguard customer interests by measuring and improving our Quality & Food Safety standards
- Our world-class quality programme ensures consistently safe products for our consumers
- We maintain a unified, transparent and robust brand quality system across all operations

SUSTAINABILITY STATEMENT

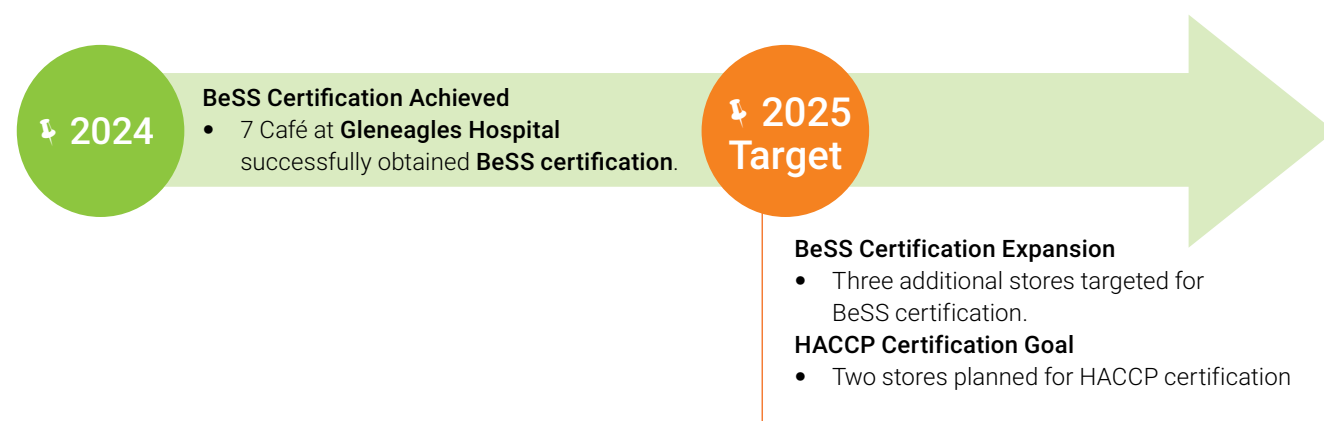
SEM conducts regular quality and food safety audits across all its facilities, including distribution centres ("DCs") and stores, to ensure compliance with stringent standards. These audits are performed by the Qualified Company's Audit Team using the 7-Eleven Malaysia Audit Checklists.

At the store level, daily practices include:

- Inspecting all food and packaging upon receipt for signs of damage, contamination risks, pests, quality issues and expiry dates.
- Rejecting deliveries with significant damage, contamination risks, infestation or expired products.
- Maintaining hot counter temperatures at or above 60°C, in line with local government temperature control requirements.

All suppliers delivering 7-Eleven private-label products and related items must comply with the 7-Eleven Supplier Management Programme, which encompasses Product Management and Surveillance Management. This structured approach ensures rigorous oversight of product quality and safety, guaranteeing that every product launched under the 7-Eleven brand meets regulatory requirements, adheres to quality standards and satisfies safety benchmarks.

A third-party accredited laboratory tests products for microbiological, chemical and physical analysis to ensure compliance with the MAL Food Act and Regulations. Teams perform water and ice testing and swab tests on staff (hand swabs) and food contact surfaces to ensure effective cleaning at the store level.



SEM conducts supplier audits to ensure adherence to the 7-Eleven Food Manufacturing Standard, aligned with the Global Food Safety Initiative ("GFSI") framework:

- **Private-Label Supplier Audits:** 22 suppliers within the defined scope were audited based on the 7-Eleven Food Manufacturing Standard, with no significant compliance issues detected.
- **New Supplier Evaluations:** 14 new suppliers underwent assessment using the Factory Approval Evaluation Standard, adapted from HACCP guidelines, with all achieving the required minimum score

The 7-Eleven Food Manufacturing Standard audit ensures compliance with strict food safety, hygiene and quality standards. It assesses key areas such as food safety systems, facility hygiene, packaging, traceability and process controls while evaluating environmental and employee safety measures. This comprehensive approach helps suppliers consistently meet regulatory and quality requirements, reinforcing customer trust.

Based on HACCP guidelines, the Factory Approval Evaluation Standard ensures suppliers comply with essential quality and food safety practices. It evaluates quality management systems, facility design, pest control, equipment maintenance, sanitation, material handling and food safety measures, including contamination prevention and product testing.

SUSTAINABILITY STATEMENT

QUALITY AND FOOD SAFETY ("Q-FOS")

SEM upholds product quality and safety through the 7E Quality and Food Safety Standard (7E Q-FoS). The operations team undergoes regular training, including specialised Food Safety and Audit Skills workshops, shadow and witness audits and annual calibration sessions to ensure compliance and maintain high standards.

In 2024, the division conducted 29 training sessions, delivering 43.5 hours of training to 362 store managers. These initiatives strengthened adherence to food safety and quality protocols across all stores.

Annual Q-FoS audits, led by the Quality Assurance team, reinforce these efforts. The audits rigorously assess store compliance with the 7E Q-FoS framework, focusing on planning, assessment, monitoring and corrective actions. In 2024, the team reviewed 634 stores, demonstrating SEM's unwavering commitment to quality and food safety.

Components of Quality and Food Safety Audits

Cleanliness	Pest prevention	Premises & equipment	Temperature
Personnel	Management of product & traceability	Cross-contamination	Quality management system

SEM remains committed to maintaining its operations' highest quality and food safety standards. Through the 7E Q-FoS audit, SEM has successfully met and exceeded its quality assurance targets for 2024.

OPERATIONAL AUDIT – Q-FOS

SEM has achieved 100% completion of Q-FoS audits for all 7 Café stores, reinforcing its commitment to upholding food safety best practices. Additionally, the Company has surpassed its initial target of auditing 330 high-risk stores, completing 360 audits to ensure robust compliance and risk mitigation.

Key Achievements in 2024

- 100% audit completion for 7 Café stores as of March 2024 (304 stores)
- 360 high-risk stores audited, exceeding the target of 330

The audit process provides a structured framework for maintaining compliance. The Quality Assurance ("QA") team will compile and share audit findings with the Operations Team. The Operations Team will review and implement a corrective action plan to address any identified gaps.

CUSTOMER-DRIVEN EFFICIENCY: MAXIMISING MOMENTUM FOR SEAMLESS EXPERIENCE

SELF-MANAGED DISTRIBUTION CENTRE

SEM has established a self-managed (DC), transforming its warehouse and distribution operations. This shift replaces the previous flow-through inventory model with a putaway and storage approach, improving inventory control and product availability.

OPTIMISING INVENTORY MANAGEMENT & DELIVERY EFFICIENCY

By storing and managing inventory in-house, SEM gains greater control over stock levels, ensuring faster replenishment and increased supply chain reliability. The new model has:

- Enhanced stock availability, reducing out-of-stock situations in stores.
- Increased delivery frequency, cutting the time from order placement to delivery to just T+2.
- Streamlined inventory flow, enabling faster and more accurate order fulfilment.

SUSTAINABILITY STATEMENT

LEVERAGING TECHNOLOGY FOR OPERATIONAL EXCELLENCE

The integration of a Warehouse Management System ("WMS") within SEM's self-managed DC delivers:

- Real-time inventory updates, improving tracking and stock visibility.
- Automation and standardisation, reducing errors and increasing efficiency.
- Proactive decision-making, minimising stock-outs and optimising warehouse coordination.

SEM's self-managed DC reinforces its commitment to efficiency, accuracy and customer satisfaction, ensuring a robust, technology-driven supply chain that meets evolving business demands.

AUTOMATED GUIDED VEHICLES ("AGVS")

SEM has deployed AGVs to handle loose-pick SKUs, revolutionising warehouse operations and improving efficiency.

OPTIMISING WORKFLOW & REDUCING MANPOWER NEEDS

AGVs eliminate unnecessary walking and manual handling by automating goods transportation, significantly reducing manpower requirements. Instead of employees navigating the warehouse, AGVs transport goods directly to designated picking stations, enabling faster, more efficient order fulfilment.

BOOSTING PRODUCTIVITY & WORKPLACE SAFETY

AGVs follow predefined routes, ensuring swift and precise movement of goods while minimising human intervention. This approach:

- Optimises labour efficiency, allowing employees to focus on higher-value tasks.
- Reduces errors, improving accuracy in warehouse operations.
- Enhances safety, mitigating risks associated with manual material handling.

Embracing AGV technology reinforces SEM's commitment to innovation, efficiency and workplace safety, setting a new standard for warehouse automation and operational excellence.

LISTENING, LEARNING, IMPROVING: PUTTING CUSTOMERS FIRST

Customer satisfaction drives everything we do. We continuously meet and exceed expectations by leveraging multiple feedback channels to listen, learn and enhance our services.

Surveys

- We conduct regular customer satisfaction surveys both in-store and online to gather valuable insights and pinpoint areas for improvement.

Digital Platforms

- Our team closely monitors feedback from the official website and My7E mobile app, enabling swift responses to concerns and continuous enhancement of the user experience.

Social Media

- Active engagement on Facebook, Instagram and TikTok allows us to promptly address customer inquiries and concerns, strengthening trust and connection with our audience.

Mystery Shopping Programme

- Independent third-party audits assess the in-store experience, evaluating key factors such as cleanliness, staff courtesy and product availability to ensure consistent service excellence.

SUSTAINABILITY STATEMENT



Social Media Wins!

Facebook: 🎉 **44,874** total engagements (likes, comments and shares) with a **3.8%** engagement rate!

Instagram: 📱 **30,235** total interactions, driving a **2.3%** engagement rate!

Thank you for your love and support! Keep engaging. We will keep bringing you more exciting content! 🌸

#7EConnect #ThankYou

Leveraging multiple feedback channels ensures we hear every customer's voice and continuously enhance and refine the SEM shopping experience.

SEM LOYALTY: ENHANCING CUSTOMER ENGAGEMENT WITH MY7E

Our personalised My7E Loyalty Programme, available through the My7E App, takes customer shopping experiences to the next level. The programme rewards and engages our valued members with exclusive deals, discounts and a seamless point-accumulation system.

KEY BENEFITS OF THE MY7E LOYALTY PROGRAMME:

- Simple Points System: Earn 1 point for every RM1 spent and redeem 100 points for RM1 in rewards.
- Exclusive Member Perks: Enjoy discounts, free products and exclusive offers that add value to every purchase.

Exciting 2024 Enhancements

This year, we introduced the My7E New Loyalty Programme, featuring a wholly revamped rewarding and upgrading system to better and reward our loyal customers more effectively.

Tiered Membership System

- Members can now advance through four levels – Beginner, New Fan, Loyal Fan and Super Fan. Each tier offers increasingly attractive benefits and exclusive rewards tailored to their shopping journey.

Exclusive Tier-Based Rewards

- Loyal Fan and Super Fan Benefits: Unlock special promotions and one-of-a-kind perks reserved for top-tier members.
- Tier-specific rewards deliver a more personalised and premium experience.

Tier-Specific Missions

- Members can complete unique missions aligned with their membership tier to earn additional rewards. This feature encourages engagement and adds an element of fun to the loyalty programme.

With these enhancements, the My7E Loyalty Programme goes beyond rewarding purchases - it fosters stronger connections with our members by offering a customised, tier-based experience. Making every visit more rewarding and engaging demonstrates our commitment to elevating customer satisfaction and loyalty.

CHAMPIONING HEALTHIER LIFESTYLES THROUGH ENHANCED RETAIL AND FOOD OFFERINGS

The retail and food environment is crucial in shaping consumer dietary habits. At 7E, we support healthier lifestyles by creating an environment that encourages informed choices, empowering customers by:

- Providing clear nutritional information and increasing the visibility of nutritious food options in our stores.
- Expanding retail space for food supplements and offering a wider selection of healthier food and beverages.

SUSTAINABILITY STATEMENT

By prioritising health-focused initiatives, we enhance customers' well-being and support their journey toward better nutrition.

Throughout the year, SEM has made significant strides in expanding healthier dietary options and promoting wellness practices. As part of our commitment to better nutrition and customer well-being, we have broadened our health food categories, ensuring greater access to nutritious choices. Our efforts focus on introducing diverse products that support healthier eating habits and empower customers to make informed dietary decisions.

DID YOU KNOW?

Our app's "Healthy On the Go" section offers a curated selection of nutritious and convenient products for customers prioritising health and wellness. This range includes items perfect for a busy lifestyle, making it easier for customers to choose healthier options. Additionally, we have a dedicated in-store corner that showcases a variety of healthy products, providing customers with easy access to nutritious choices while shopping in-store. Both initiatives reflect our commitment to promoting healthier living and offering accessible options for those on the go.

During the year, SEM expanded its product range by introducing a new inner beauty product. Prune Essence is a whitening probiotic and natural detox tea bag. In the coming year, SEM remains committed to diversifying its health product offerings, with plans to launch health and beauty gummies in 7s sachet packaging plant-based protein powder.

Key Achievements in Promoting Better Nutrition

Expanding Healthier Product Ranges	Focus: Growing and enhancing our selection of health-focused products	Low/Zero-Sugar RTD Beverages - Healthier drink options with reduced or no added sugar.
		Functional RTD Beverages - Infused with vitamins, BCAAs and collagen for added health benefits.
		Natural & Wholesome Snacks - Includes natural nuts, dried vegetables, fruit chips and non-fried chips.
		Food Supplements - Options high in fibre and protein, supporting slimming and beauty-enhancing benefits.
Commitment to Research & Collaboration	Goal: Expanding healthy food & beverage options through research & partnerships	Consumer Insight-Driven Innovation - Continuous R&D to introduce products aligned with evolving dietary needs.
		Industry Collaboration - Partnering with peers & experts to reduce negative food impacts.
		Addressing Processed Foods & Sugary Drinks - Implementing strategies to health risks.
Mitigating Potential Health Risk	Ensuring responsible sales & consumption	Cigarettes & Alcohol - Warning signs highlight risks of irresponsible consumption.
		Controlled Purchasing - Regulated sales prevent overconsumption, ensuring customer safety.

Our mission goes beyond providing healthier choices; we aim to inspire a culture of wellness within our community. Continuous innovation and collaboration create a retail environment that supports and encourages healthier lifestyles for all.

SUSTAINABILITY STATEMENT

BOOST YOUR WELL-BEING AT 7CAFÉ

7CAFé is committed to offering diverse, high-quality, nutritious meal options, ensuring customers a convenient and satisfying experience. Our thoughtfully curated menu prioritises customer well-being while delivering flavourful and wholesome choices.

The selection includes:

- Soft serve - A refreshing and indulgent treat.
- Fresh-made sandwiches - Crafted daily for maximum freshness.
- Warm and healthy meals - Balanced options designed for nourishment.
- Onigiri wraps - A fusion of convenience and traditional flavours.
- Hot foods - Satisfying, ready-to-enjoy meals for any time of day.

Providing a comprehensive menu that caters to a wide range of tastes and dietary preferences, 7CAFé continues to enhance the on-the-go dining experience with quality, convenience and nutrition at the forefront.

EMPOWERING CHOICES WITH RESPONSIBLE ADVERTISING AND MARKETING

At SEM, we are committed to the responsible promotion and transparent communication of all products within our convenience stores. Strict adherence to local regulations and dedication to fostering healthier choices for our customers underpins this commitment.

Compliance with Regulations

- We strictly comply with the Food Regulation 1985 and the Malaysia Food Act 1983.

Transparent Labelling

- We ensure all product labels provide accurate and detailed information.
- By 2030, we aim to achieve complete nutrition disclosure for all private label products. Labels include front-of-package details such as "high in fibre", "low in sodium" and "trans-fat-free" and a complete nutrition facts on the packaging.
- Open Case Chiller (OCC) products such as sandwiches, onigiri and ready-to-eat meals feature clear nutritional information to guide customers towards balanced choices.

Responsible Advertising

- We strictly adhere to the Food Advertisement Guideline by Ministry of Health.
- We ensure all products, including processed foods, alcohol and tobacco, are marketed responsibly, highlighting impact and encouraging informed decision-making.

Fair Pricing

- We maintain fair pricing and align with market trends.
- We conduct **regular price checks** on key product lines against competitors.
- **Market research and benchmarking** ensure pricing meets customer expectations and remains competitive.
- **Tiered Pricing Models** provide options across various budgets without compromising quality.

We provide our store employees with comprehensive training on product labelling and responsible marketing practices, ensuring they can effectively guide customers and uphold SEM's commitment to ethical retail standards.

SUSTAINABILITY STATEMENT

PRODUCT EXPANSION

In 2024, SEM introduced 2,470 new fresh food and merchandise products, reinforcing our commitment to offering a broader selection that caters to emerging customer demands and diverse preferences. This expansion enhances value for our stakeholders in several ways:

- Greater convenience and choice: More options that suit every lifestyle, from quick snacks to daily essentials
- Catering to diverse demographics: Our expanded selection meets the needs of various groups and customer segments
- Healthier alternatives: We are increasing our better-for-you options with curated fresh food selections
- Strengthening customer loyalty: A wider selection and merchandise reinforce trust and loyalty toward the 7E brand

"ALWAYS THERE FOR YOU": CONVENIENCE AND AFFORDABILITY

SEM is committed to being readily available and ensuring convenience for everyone. With strategically located stores in key residential areas and along major streets, we provide a seamless shopping experience wherever you are.

As the largest convenience store chain in the country, we operate 2,635 stores nationwide as of 31 December 2024, serving over 1 million customers daily. Whether you are looking for fresh food, snacks, drinks, coffee or everyday essentials, SEM is your go-to destination for quick, easy and reliable shopping.

Affordability is at the core of our pricing strategy. We conduct monthly reviews of the top 400 SKUs, benchmarking prices against competitors to maintain a fair and competitive pricing structure. Through regular price checks and adjustments, we continue to offer high-quality products at accessible prices, ensuring exceptional value for every customer.

MOVING FORWARD

REDEFINING CONVENIENCE FOR A SMARTER, HEALTHIER FUTURE

Our dedication to enhancing the customer experience continues to drive us as we move forward. Sustainability will be at the core of our efforts as we strive to provide excellence and value in every interaction. With a strong focus on healthy living, nutrition and well-being, we aim to empower our communities to live more sustainably. Looking ahead, SEM will not only be a go-to retail destination but a symbol of convenience, affordability and a commitment to holistic lifestyles. We are excited to shape a future where SEM leads the way in customer satisfaction, sustainability and community well-being, setting new industry standards.

TRANSITION TOWARDS IFRS S1 & S2 COMPLIANCE

SEM is committed to enhancing transparency and accountability in sustainability reporting. In anticipation of adopting the International Sustainability Standards Board ("ISSB") IFRS S1 & S2 in Malaysia, SEM has taken proactive steps to align our disclosures with global best practices.

Governance and Oversight

We are in the process of strengthening our governance framework by enhancing clarity on the Board and management's oversight of sustainability matters. The Board of Directors and the SWG oversee the integration of ESG considerations into our business strategy, ensuring alignment with long-term corporate objectives.

Climate-Related Risks & Opportunities (IFRS S2 Alignment)

In line with IFRS S2, we have begun identifying climate-related risks and opportunities relevant to our convenience store operations, including:

- Transition Risks: For example, tighter refrigerant regulations or energy use may require store upgrades, while raising demand for eco-friendly products may call for changes in our product range and sourcing practices.
- Physical Risks: For instance, extreme weather events such as floods or heatwaves could disrupt store operations and supply chains. Higher ambient temperatures may also increase energy consumption for cooling and refrigeration.
- Opportunities: Examples include installing energy-efficient lighting and refrigeration, adopting solar panels at selected locations and expanding our range of sustainable products to meet evolving consumer expectations.

While full IFRS S1 & S2 compliance is not yet mandatory in the SEM Annual Report 2024, we will continue enhancing our disclosures in preparation for regulatory requirements. In the Annual Report 2025, SEM will gradually adopt further integrated climate-related financial metrics and refine its sustainability disclosures to align with NSRF and ISSB standards.

SUSTAINABILITY STATEMENT

DATA PERFORMANCE TABLE

Convenience Store				Pharmaceutical				Group		
Indicator	Unit	2022	2023	2024	2022	2023	2024 ‡	2022	2023	2024
Economic										
Sustainable Procurement										
Proportion of spending on local suppliers	%	NA	92.0%	99.6%	NA	99.7%		NA	94.4%	99.6%
Anti-corruption *										
Total employees who have received training on anticorruption	Number (%)	NA	596 (5.5%)	3,984 (35.0%)	(0.0%)	295 (11.8%)		NA	891 (6.7%)	3,984 (35.0%)
- Senior management	Number (%)	NA	17 (27.9%)	49 (92.5%)	(33.3%)	10 (11.1%)		NA	27 (17.9%)	49 (92.5%)
- Management	Number (%)	NA	52 (32.9%)	173 (93.0%)	(61.6%)	150 (35.2%)		NA	202 (34.6%)	173 (93.0%)
- Executive	Number (%)	NA	89 (18.9%)	449 (100.0%)	(63.4%)	135 (60.3%)		NA	224 (32.2%)	449 (100.0%)
- Non-executive	Number (%)	NA	438 (4.3%)	3,313 (31.0%)	(57.8%)	(0.0%)		NA	438 (3.7%)	3,313 (31.0%)
Confirmed incidents of corruption	Number	0	0	0	0	0		0	0	0
Operations assessed for corruption-related risks	%	0	0	0	0	0		0	0	0
The training data disclosed for 2023 is cumulative data: there were three sessions in Phase 1 training, the first of which was conducted on 21 December 2022.										
Environment *										
Energy										
Electricity consumption	kWh	228,286,179	249,999,733	261,384,764	5,560,000	7,290,000		233,846,179	257,289,733	261,384,764
Diesel consumption	Litres	NA	518,541	535,849	NA	NA		NA	518,541	535,849
Petrol consumption	Litres	NA	5,400	12,060	NA	NA		NA	5,400	12,060
Direct energy *†	GJ	NA	18,907	19,750	NA	0		0	18,907	19,750
Indirect energy *	GJ	821,830	899,999	940,985	20,016	26,244		841,846	926,243	940,985
Total energy	GJ	821,830	918,906	960,735	20,016	26,244		841,846	945,150	960,735
Energy intensity * # †	GJ/RM Million Revenue	331	330	328	16	19		224	227	328
* Conversion coefficients for electricity and diesel to Joules are derived from the IPCC.										
# The increase in total energy consumption was partially driven by enhanced data monitoring and greater operational efficiency. The improved energy intensity reflects more efficient energy use relative to output.										
† Restated due to amendments to conversion factors.										
Water *										
Water consumption	m³	NA	NA	421,302	14,413	30,300		14,413	30,300	421,302
Water efficiency	m³/revenue (RM mil)	NA	NA	144	11	22		NA	NA	144
* Water consumption and efficiency increased, partially due to improved data monitoring processes.										

SUSTAINABILITY STATEMENT

DATA PERFORMANCE TABLE (CONT'D)

Convenience Store					Pharmaceutical			Group		
Indicator	Unit	2022	2023	2024	2022	2023	2024 ‡	2022	2023	2024
Environment *										
Waste										
Total waste diverted from disposal	Tonnes	785.00	846.00	828.00	108.83	118.34		893.83	964.34	828.00
Corrugated Carton Boxes	Tonnes	735.63	811.22	791.96	108.60	118.10		844.23	929.32	791.96
Plastics	Tonnes	49.43	35.17	36.18	0.00	0.00		49.43	35.17	36.18
Polypropylene	Tonnes	0.00	0.00	0.00	0.23	0.24		0.23	0.24	0.00
Total waste directed to disposal	Tonnes	NA	NA	NA	NA	NA		NA	NA	NA
Emissions (tCO ₂ e) †										
Scope 1 *										
CO ₂	tCO ₂ e	NA	1,402	1,466	NA	NA		NA	1,402	1,466
CH ₄	tCO ₂ e	NA	5	6	NA	NA		NA	5	6
N ₂ O	tCO ₂ e	NA	3	3	NA	NA		NA	3	3
CO ₂ e	tCO ₂ e	NA	1,411	1,475	NA	NA		NA	1,411	1,475
Scope 2 **	tCO ₂ e	176,694	186,941	195,526	4,303	5,642		180,997	192,583	195,526
Total operational emissions (Scopes 1 & 2)	tCO ₂ e	176,694	188,352	197,002	4,303	5,642		180,997	193,994	197,002
Scope 3: Business Travel (Air) ***	tCO ₂ e	24	22	27	0	0		24	22	27
Scope 3: Employee Commuting ****		NA	14,988	19,176	NA	3,449		NA	18,437	15,649
Emissions intensity	tCO ₂ e/ RM Million Revenue	71	68	67	3	4		48	47	67
* SEM calculates CO ₂ emissions from fuel consumption using the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories.										
** SEM calculates CO ₂ emissions from electricity consumption using the Energy Commission Grid Emission Factor for Peninsular 2021. SEM restates its Scope 2 emissions to improve the accuracy of its GHG reporting.										
*** SEM uses emission factors published by the US Environmental Protection Agency to calculate its emissions resulting from business travel.										
**** SEM calculates the CO ₂ emissions generated from employees travelling to and from the workplace using the UK Government GHG Conversion Factors for Company Reporting.										
† Restated due to amendments to emission factors.										
Social										
Workforce Strength										
Total employees (number)	Number	9,845	10,870	11,367	2,336	2,501		12,181	13,371	11,367
New Employees Hires (number)	Number	5,794	5,670	5,494	1,656	714		7,450	6,384	5,494
Workforce Breakdown by Nationality										
Local	Number (%)	9,342 (94.9%)	9,909 (91.2%)	10,316 (90.8%)	2,336 (100.0%)	2,501 (100.0%)		11,678 (95.9%)	12,410 (92.8%)	10,316 (90.8%)
Foreigners	Number (%)	503 (5.1%)	961 (8.8%)	1,051 (9.2%)	0 (0.0%)	0 (0.0%)		503 (4.1%)	961 (7.2%)	1,051 (9.2%)
Workforce Breakdown by Employment Contract										
Permanent	Number (%)	8,612 (87.5%)	9,318 (85.7%)	9,617 (84.6%)	1,899 (81.3%)	2,064 (82.5%)		10,511 (86.3%)	11,382 (85.1%)	9,617 (84.6%)
Temporary/contract	Number (%)	546 (5.5%)	1,065 (9.8%)	1,076 (9.5%)	12 (0.5%)	5 (0.2%)		558 (4.6%)	1,070 (8.0%)	1,076 (9.5%)
Part-time	Number (%)	687 (7.0%)	487 (4.5%)	674 (5.9%)	425 (18.2%)	432 (17.3%)		1,112 (9.1%)	919 (6.9%)	674 (5.9%)
Workforce Breakdown by Category										
Senior management	Number (%)	51 (0.5%)	61 (0.6%)	53 (0.5%)	78 (3.3%)	90 (3.6%)		129 (1.1%)	151 (1.1%)	53 (0.5%)
Management	Number (%)	133 (1.4%)	158 (1.5%)	186 (1.6%)	529 (22.6%)	426 (17.0%)		662 (5.4%)	584 (4.4%)	186 (1.6%)
Executive	Number (%)	466 (4.7%)	471 (4.3%)	449 (4.0%)	202 (8.6%)	224 (9.0%)		668 (5.5%)	695 (5.2%)	449 (4.0%)
Non-executive	Number (%)	9,195 (93.4%)	10,180 (93.7%)	10,679 (93.9%)	1,527 (65.4%)	1,761 (70.4%)		10,722 (88.0%)	11,941 (89.3%)	10,679 (93.9%)

SUSTAINABILITY STATEMENT

GROUP SUSTAINABILITY DATA PERFORMANCE (CONT'D)

Convenience Store					Pharmaceutical			Group		
Indicator	Unit	2022	2023	2024	2022	2023	2024 ‡	2022	2023	2024
Social										
Breakdown by Gender for each Employee Category										
Senior Management (female)	Number (%)	16 (31.4%)	17 (27.9%)	14 (26.4%)	39 (50.0%)	47 (52.2%)		55 (42.6%)	64 (42.4%)	14 (26.4%)
Senior Management (male)	Number (%)	35 (68.6%)	44 (72.1%)	39 (73.6%)	39 (50.0%)	43 (47.8%)		74 (57.4%)	87 (57.6%)	39 (73.6%)
Management (female)	Number (%)	59 (44.4%)	74 (46.8%)	87 (46.8%)	396 (74.9%)	319 (74.9%)		455 (68.7%)	393 (67.3%)	87 (46.8%)
Management (male)	Number (%)	74 (55.6%)	84 (53.2%)	99 (53.2%)	133 (25.1%)	107 (25.1%)		207 (31.3%)	191 (32.7%)	99 (53.2%)
Executive (female)	Number (%)	261 (56.0%)	261 (55.4%)	245 (54.6%)	159 (78.7%)	177 (79.0%)		420 (62.9%)	438 (63.0%)	245 (54.6%)
Executive (male)	Number (%)	205 (44.0%)	210 (44.6%)	204 (45.4%)	43 (21.3%)	47 (21.0%)		248 (37.1%)	257 (37.0%)	204 (45.4%)
Non-executive (female)	Number (%)	4,527 (49.2%)	4,594 (45.1%)	4,919 (46.1%)	1,230 (80.6%)	1,420 (80.6%)		5,757 (53.7%)	6,014 (50.4%)	4,919 (46.1%)
Non-executive (male)	Number (%)	4,668 (50.8%)	5,586 (54.9%)	5,760 (53.9%)	297 (19.4%)	341 (19.4%)		4,965 (46.3%)	5,927 (49.6%)	5,760 (53.9%)
Breakdown by Age Group for each Employment Category										
Senior Management (<30)	Number (%)	0 (0.0%)	1 (1.6%)	1 (1.9%)	4 (5.1%)	4 (4.4%)		4 (3.1%)	5 (3.3%)	1 (1.9%)
Senior Management (30-50)	Number (%)	40 (78.4%)	45 (73.8%)	37 (69.8%)	66 (84.6%)	76 (84.4%)		106 (82.2%)	121 (80.1%)	37 (69.8%)
Senior Management (>50)	Number (%)	11 (21.6%)	15 (24.6%)	15 (28.3%)	8 (10.3%)	10 (11.1%)		19 (14.7%)	25 (16.6%)	15 (28.3%)
Management (<30)	Number (%)	7 (5.3%)	8 (5.1%)	6 (3.2%)	224 (42.3%)	149 (35.0%)		231 (34.9%)	157 (26.9%)	6 (3.2%)
Management (30-50)	Number (%)	111 (83.5%)	128 (81.0%)	159 (85.5%)	298 (56.3%)	268 (62.9%)		409 (61.8%)	396 (67.8%)	159 (85.5%)
Management (>50)	Number (%)	15 (11.3%)	22 (13.9%)	21 (11.3%)	7 (1.3%)	9 (2.1%)		22 (3.3%)	31 (5.3%)	21 (11.3%)
Executive (<30)	Number (%)	74 (15.9%)	86 (18.3%)	84 (18.7%)	94 (46.5%)	104 (46.4%)		168 (25.1%)	190 (27.3%)	84 (18.7%)
Executive (30-50)	Number (%)	372 (79.8%)	364 (77.3%)	345 (76.8%)	106 (52.5%)	116 (51.8%)		478 (71.6%)	480 (69.1%)	345 (76.8%)
Executive (>50)	Number (%)	20 (4.3%)	21 (4.5%)	20 (4.5%)	2 (1.0%)	4 (1.8%)		22 (3.3%)	25 (3.6%)	20 (4.5%)
Non-executive (<30)	Number (%)	7,135 (77.6%)	7,765 (76.3%)	8,106 (75.9%)	1,089 (71.3%)	1,195 (67.9%)		8,224 (76.7%)	8,960 (75.0%)	8,106 (75.9%)
Non-executive (30-50)	Number (%)	1,982 (21.6%)	2,330 (22.9%)	2,485 (23.3%)	401 (26.3%)	517 (29.4%)		2,383 (22.2%)	2,847 (23.8%)	2,485 (23.3%)
Non-executive (>50)	Number (%)	78 (0.8%)	85 (0.8%)	88 (0.8%)	37 (2.4%)	49 (2.8%)		115 (1.1%)	134 (1.1%)	88 (0.8%)
Workforce Breakdown by Gender										
Female	Number (%)	4,863 (49.4%)	4,946 (45.5%)	5,265 (46.3%)	1,824 (78.1%)	1,963 (78.5%)		6,687 (54.9%)	6,909 (51.7%)	5,265 (46.3%)
Male	Number (%)	4,982 (50.6%)	5,924 (54.5%)	6,102 (53.7%)	512 (21.9%)	538 (21.5%)		5,494 (45.1%)	6,462 (48.3%)	6,102 (53.7%)
Workforce Breakdown by Age Group										
<30	Number (%)	7,216 (73.3%)	7,860 (72.3%)	8,197 (72.1%)	1,411 (60.4%)	1,452 (58.1%)		8,627 (70.8%)	9,312 (69.6%)	8,197 (72.1%)
30-50	Number (%)	2,505 (25.4%)	2,867 (26.4%)	3,026 (26.6%)	871 (37.3%)	977 (39.1%)		3,376 (27.7%)	3,844 (28.7%)	3,026 (26.6%)
>50	Number (%)	124 (1.3%)	143 (1.3%)	144 (1.3%)	54 (2.3%)	72 (2.9%)		178 (1.5%)	215 (1.6%)	144 (1.3%)
Workforce Breakdown by Ethnicity										
Malay	Number (%)	7,939 (80.6%)	8,390 (77.2%)	8,843 (77.8%)	1,050 (44.9%)	1,103 (44.1%)		8,989 (73.8%)	9,493 (71.0%)	8,843 (77.8%)
Chinese	Number (%)	231 (2.3%)	238 (2.2%)	213 (1.9%)	1,033 (44.2%)	1,071 (42.8%)		1,264 (10.4%)	1,309 (9.8%)	213 (1.9%)
Indian	Number (%)	602 (6.1%)	579 (5.3%)	558 (4.9%)	156 (6.7%)	159 (6.4%)		758 (6.2%)	738 (5.5%)	558 (4.9%)
Others	Number (%)	569 (5.8%)	661 (6.1%)	702 (6.2%)	97 (4.2%)	168 (6.7%)		666 (5.5%)	829 (6.2%)	702 (6.2%)
Non-Malaysian	Number (%)	504 (5.1%)	1,002 (9.2%)	1,051 (9.2%)	0 (0.0%)	0 (0.0%)		504 (4.1%)	1,002 (7.5%)	1,051 (9.2%)
Disabled staff	Number (%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (0.0%)		0 (0.0%)	1 (0.0%)	0 (0.0%)

SUSTAINABILITY STATEMENT

GROUP SUSTAINABILITY DATA PERFORMANCE (CONT'D)

		Convenience Store			Pharmaceutical			Group		
Indicator	Unit	2022	2023	2024	2022	2023	2024 ‡	2022	2023	2024
Social										
Employee Turnover Rates										
Total turnover *	Number (rate)	16,074 (176.6%)	15,228 (147.0%)	13,755 (123.7%)	1,080 (50.7%)	1,132 (46.8%)		17,154 (152.8%)	16,360 (128.1%)	13,755 (123.7%)
Turnover by gender										
Female	Number (rate)	7,629 (166.5%)	6,708 (136.8%)	5,866 (114.9%)	833 (50.1%)	888 (46.9%)		8,462 (135.5%)	7,596 (111.7%)	5,866 (114.9%)
Male	Number (rate)	8,445 (186.9%)	8,520 (156.2%)	7,889 (131.2%)	247 (53.1%)	244 (46.5%)		8,692 (174.4%)	8,764 (146.6%)	7,889 (131.2%)
Turnover by age group										
<30	Number (rate)	14,722 (225.8%)	13,720 (182.0%)	12,320 (153.5%)	923 (76.7%)	965 (67.4%)		15,645 (202.5%)	14,685 (163.7%)	12,320 (153.5%)
30-50	Number (rate)	1,292 (52.6%)	1,463 (54.5%)	1,382 (46.9%)	140 (16.2%)	160 (17.3%)		1,432 (43.2%)	1,623 (45.0%)	1,382 (46.9%)
>50	Number (rate)	60 (48.0%)	45 (33.7%)	53 (36.9%)	17 (27.4%)	7 (11.1%)		77 (41.2%)	52 (26.5%)	53 (36.9%)
Turnover by Employment Category										
Senior management	Number (rate)	11 (21.2%)	7 (12.5%)	14 (24.6%)	0 (0.0%)	4 (200.0%)		11 (19.0%)	11 (19.0%)	14 (24.6%)
Management	Number (rate)	33 (24.2%)	21 (14.4%)	26 (15.1%)	60 (133.3%)	48 (88.9%)		93 (51.2%)	69 (34.6%)	26 (15.1%)
Executive	Number (rate)	112 (22.6%)	81 (17.3%)	52 (11.3%)	43 (108.9%)	36 (91.1%)		155 (29.0%)	117 (23.0%)	52 (11.3%)
Non-executive	Number (rate)	15,918 (189.1%)	15,119 (156.1%)	13,663 (131.0%)	977 (128.2%)	1,044 (103.3%)		16,895 (184.0%)	16,163 (151.1%)	13,663 (131.0%)
Turnover Breakdown by Type										
Voluntary turnover (number)	Number (%)	NA	NA	13,085 (95.1%)	NA	NA		NA	NA	13,085 (95.1%)
Involuntary turnover (number)	Number (%)	NA	NA	670 (4.9%)	NA	NA		NA	NA	670 (4.9%)
* All turnover rate is expressed as the number of employee separations divided by the average number of employees.										
Women Representatives in the Management										
% Women in Management	%	44%	47%	47%	75%	75%		69%	67%	47%
% Women in Top Management	%	31%	28%	26%	50%	52%		43%	42%	26%
Boardroom Diversity										
Breakdown of Board of Directors by Gender										
Male	Number (%)	7 (70.0%)	7 (77.8%)	6 (75.0%)	6 (75.0%)	6 (75.0%)		7 (70.0%)	7 (77.8%)	6 (75.0%)
Female	Number (%)	3 (30.0%)	2 (22.2%)	2 (25.0%)	2 (25.0%)	2 (25.0%)		3 (30.0%)	2 (22.2%)	2 (25.0%)
Breakdown of Board of Directors by Ethnicity										
Malay	Number (%)	3 (30.0%)	4 (44.4%)	3 (37.5%)	0 (0.0%)	0 (0.0%)		3 (30.0%)	4 (44.4%)	3 (37.5%)
Chinese	Number (%)	4 (40.0%)	3 (33.3%)	3 (37.5%)	8 (100.0%)	8 (100.0%)		4 (40.0%)	3 (33.3%)	3 (37.5%)
Indian	Number (%)	1 (10.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)		1 (10.0%)	0 (0.0%)	0 (0.0%)
Non-Malaysian	Number (%)	2 (20.0%)	2 (22.2%)	2 (25.0%)	0 (0.0%)	0 (0.0%)		2 (20.0%)	2 (22.2%)	2 (25.0%)
Breakdown of Board of Directors by Age Group										
<30	Number (%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)		0 (0.0%)	0 (0.0%)	0 (0.0%)
30-50	Number (%)	6 (60.0%)	6 (66.7%)	5 (62.5%)	3 (37.5%)	3 (37.5%)		6 (60.0%)	6 (66.7%)	5 (62.5%)
>50	Number (%)	4 (40.0%)	3 (33.3%)	3 (37.5%)	5 (62.5%)	5 (62.5%)		4 (40.0%)	3 (33.3%)	3 (37.5%)

SUSTAINABILITY STATEMENT

GROUP SUSTAINABILITY DATA PERFORMANCE (CONT'D)

Convenience Store					Pharmaceutical			Group		
Indicator	Unit	2022	2023	2024	2022	2023	2024 ‡	2022	2023	2024
Human Rights										
Complaints concerning human rights violations	Number	0	0	0	0	0		0	0	0
Substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	0	0		0	0	0
Training										
Total training time	Hours	70,734	115,048	144,518	74,794	120,482		145,528	235,530	144,518
Total training by Employee Category										
Senior management	Hours	24	896	581	896	1,440		920	2,336	581
Management	Hours	460	1,984	776	60,784	106,434		61,244	108,418	776
Executive	Hours	2,716	1,864	1,901	240	112		2,956	1,976	1,901
Non-executive	Hours	67,534	110,304	141,260	12,874	12,496		80,408	122,800	141,260
Average training per year per employee	Hours	7	11	13	32	48		12	18	13
Training investment	RM	1,732,621	2,217,495	2,613,327	449,329	423,096		2,181,950	2,640,591	2,613,327
Safety										
Number of work-related fatalities	Number	0	0	0	0	0		0	0	0
Lost time incident rate	Rate	0.00	0.01	0.00	0.00	0.41		0.00	0.09	0.00
Number of employees trained on health and safety standards	Number	46	11	33	100	0		146	11	33
Total number of incidents of noncompliance with regulations or voluntary codes concerning the health & safety impacts of products and services within the reporting period	Number	NA	0	0	0	0		NA	0	0
Number of recalls issued and total units recalled for health and safety reasons	Number	NA	0	0	0	0		NA	0	0
Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	%	NA	0	0	0	0		NA	0	0
Community										
Total amount invested in the community	RM	4,810,844	5,064,972	4,044,325	444,600	255,551		5,255,444	5,320,523	4,044,325
Total number of beneficiaries of the investment in communities	Number	600	1,184	1,874	109	56		709	1,240	1,874
Total costs of environmental fines and penalties	RM	0	0	0	0	0		0	0	0

‡ The pharmaceutical business was fully disposed of on 29 December 2023. As a result, no data is reported for the year 2024.

SUSTAINABILITY STATEMENT

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	92.50
Management	Percentage	93.00
Executive	Percentage	100.00
Non-executive	Percentage	31.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	4,044,325.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1,874
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	1.90
Senior Management Between 30-50	Percentage	69.80
Senior Management Above 50	Percentage	28.30
Management Under 30	Percentage	3.20
Management Between 30-50	Percentage	85.50
Management Above 50	Percentage	11.30
Executive Under 30	Percentage	18.70
Executive Between 30-50	Percentage	76.80
Executive Above 50	Percentage	4.50
Non-executive Under 30	Percentage	75.90
Non-executive Between 30-50	Percentage	23.30
Non-executive Above 50	Percentage	0.80
Gender Group by Employee Category		
Senior Management Male	Percentage	73.60
Senior Management Female	Percentage	26.40
Management Male	Percentage	53.20
Management Female	Percentage	46.80
Executive Male	Percentage	45.40
Executive Female	Percentage	54.60
Non-executive Male	Percentage	53.90
Non-executive Female	Percentage	46.10
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	75.00
Female	Percentage	25.00
Under 30	Percentage	0.00
Between 30-50	Percentage	62.50
Above 50	Percentage	37.50
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	266,870.83
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	33
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	581
Management	Hours	776
Executive	Hours	1,901
Non-executive	Hours	141,260
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	9.50

Internal assurance External assurance No assurance

(*)Restated

SUSTAINABILITY STATEMENT

Indicator	Measurement Unit	2024
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	14
Management	Number	26
Executive	Number	52
Non-executive	Number	13,663
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.60
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	421,302.000000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	828.14
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	828.14
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	0.00
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	1,475.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	195,526.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	19,203.00

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT



SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by 7-Eleven Malaysia Holding Berhad (hereafter referred to as SEM) to perform an independent verification and provide assurance of SEM Key Performance Indicators 2024. The main objective of the verification process is to provide assurance to SEM and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International applied to selected sustainability performance information (subject matter) as listed below, within the assurance scope which is included in SEM Key Performance Indicators 2024 – for Convenience Stores only.

The management of SEM was responsible for the preparation of the Key Performance Indicators 2024. The objectivity and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the SEM Sustainability Statement and the Annual Report 2024.

The assurance engagement was designed to provide limited assurance in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance activity evaluates the adequacy of the Key Performance Indicators – Convenience Stores only. The assurance process involves verification of selected subject matters as follows. Details are provided in the Group Sustainability Data Performance Table in the Sustainability Statement.

Key Performance Indicator – Convenience Stores only
Sustainable Procurement
Anti-corruption
Environment – Energy, Water, Waste, Emissions
Workforce
Human Rights
Training
Safety
Community

The verification was carried out by SIRIM QAS International in January to February 2025, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources, internal and external documentation which are made available during the conduct of assessment.
- Verifying data which is presented in the Integrated Annual Report includes a detailed review of the sampled data.
- Interviewing key personnel responsible for collating information and writing various parts of the report to substantiate the veracity of the claims.

SUSTAINABILITY STATEMENT

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of any other information reported in the SEM Annual Report 2024.
- The review excluded all financial-related data, as these are subjected to the company's financial audit.
- As part of this assurance engagement, the verification team visited SEM's corporate office at Berjaya Times Square. However, the verification process did not include physical inspections of any of SEM's operations and assets, including the convenience stores.
- The verification team did not assess or verify any data related to contractors or third parties.

Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO 17021-1:2015 and ISO 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of SEM relating to the accuracy of some of the information contained in the statement. In response to the raised findings, the Key Performance Indicators – Convenience Stores only, were subsequently reviewed and revised by SEM. It is confirmed that changes that have been incorporated into the final version of the statement have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, the following represents SIRIM QAS International's opinion:

- The level of data accuracy included in SEM Key Performance Indicators 2024 – Convenience Store, is fairly stated;
- The level of disclosure of the specific sustainability performance information presented in the statement was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the statement;
- The Key Performance Indicators 2024 – Convenience Store, provides a reasonable and balanced presentation of the sustainability performance of 7-Eleven Malaysia Holding Berhad, for the Convenience Stores.

List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Kamini Sooriamoorthy	:	Team Member
3)	Ms. Suzalina Kamaralarifin	:	Team Member
4)	Ms. Nur Ruzaini Ab Razak	:	Team Member

Statement Prepared by:

Statement Approved by:


AERNIDA BINTI ABDUL KADIR

Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.

Date: 3 March 2025


AMINUDIN BIN ABD AZIZ

Acting Senior General Manager
Management System Certification Department
SIRIM QAS International Sdn. Bhd.

Date: 3 March 2025

Note 1: This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantees the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (25 February 2025).

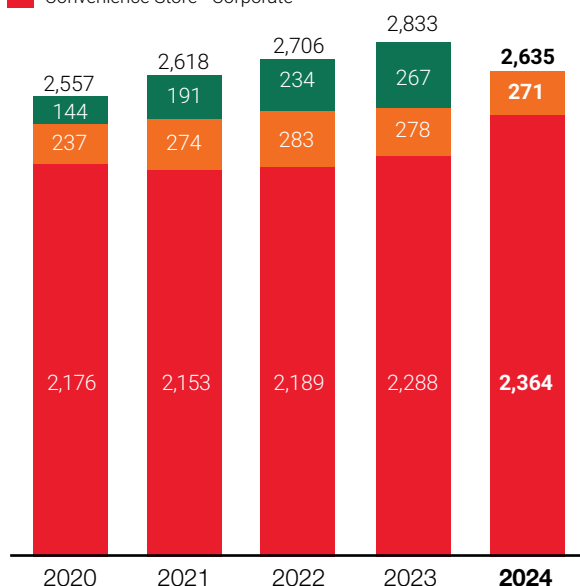
GROUP FINANCIAL SUMMARY

	2024	2023	2022	2021	2020
Description	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	2,925,548	2,783,552	2,484,691	2,808,500	2,539,028
Profit Before Tax	73,801	21,571	73,431	92,429	62,656
Profit After Tax	38,532	270,118	84,328	58,840	35,353
Profit Attributable To Shareholder	41,611	261,766	66,875	44,348	29,766
Share Capital	1,410,881	1,410,881	1,485,138	1,485,138	1,485,138
Treasury shares	(99,108)	(99,108)	(194,302)	(161,410)	(157,243)
Assets Revaluation Reserve	47,311	46,351	45,599	43,236	42,214
Reserves	328,629	345,410	140,974	66,266	39,899
Capital Reorganisation Deficit	(1,343,248)	(1,343,248)	(1,343,248)	(1,343,248)	(1,343,248)
Non-controlling Interest	(2,065)	(2,990)	96,080	92,061	94,461
Total Equity	342,400	357,296	230,241	182,043	161,221
Long Term Liabilities	1,057,781	1,049,206	1,350,052	1,231,305	972,933
Current Liabilities	1,055,845	1,124,773	1,096,934	849,391	902,695
Total Equity and Liabilities	2,456,026	2,531,275	2,677,227	2,262,739	2,036,849
Property, Plant & Equipment	568,290	438,180	361,620	321,045	346,484
Right-of-use assets	744,639	625,433	684,363	652,534	672,881
Investment Property	-	-	20,585	21,029	-
Intangible Assets	6,719	11,194	473,375	478,949	425,492
Investment and Other Non-Current Asset	203,020	151,337	79,036	36,559	25,733
Current Assets	933,358	1,305,131	1,058,248	752,623	566,259
Total Assets	2,456,026	2,531,275	2,677,227	2,262,739	2,036,849
Net Assets Per Share (sen)	31.06	32.49	12.09	7.99	5.91
Basic Earning Per Share (sen)	3.75	23.59	5.95	3.93	2.60

GROUP FINANCIAL HIGHLIGHTS

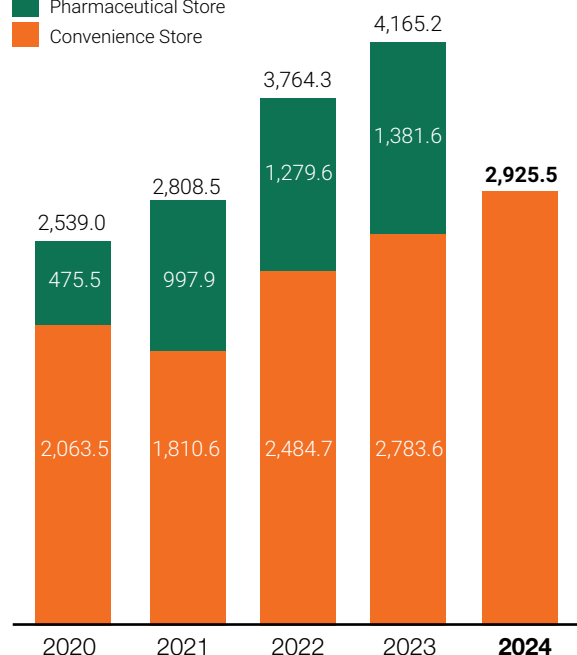
Store Count

- Pharmaceutical Store
- Convenience Store - Franchise
- Convenience Store - Corporate

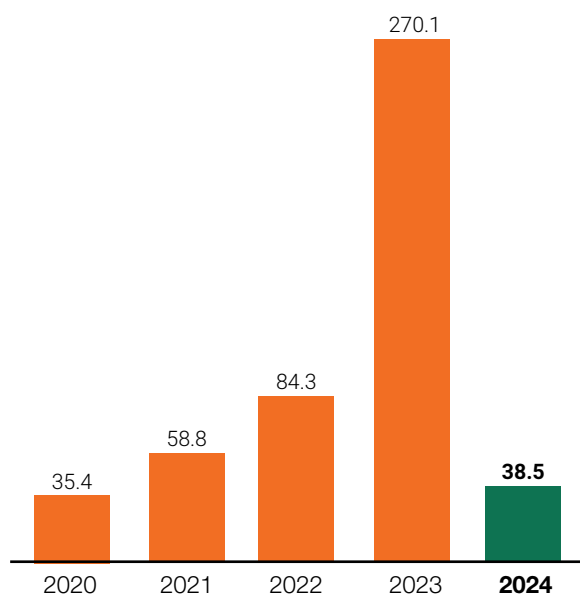


Revenue (RM 'million)

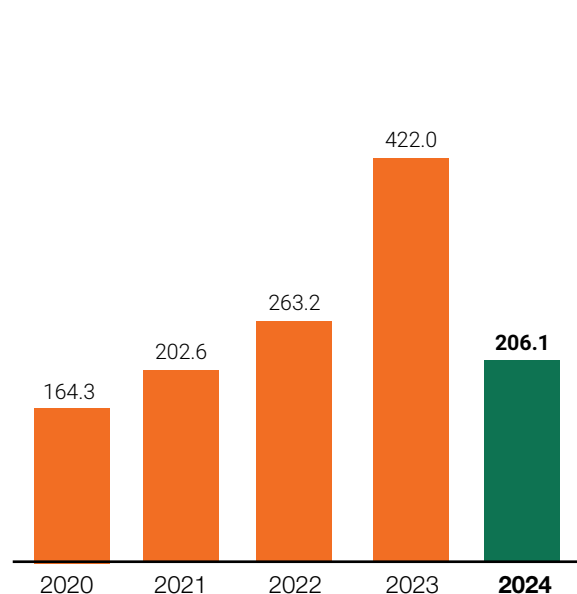
- Pharmaceutical Store
- Convenience Store



Profit After Tax (RM 'million)



EBITDA (RM 'million)



CHARTS ON FINANCIAL HIGHLIGHTS

	2020	2021	2022	2023	2024
Convenience Store - Corporate	2,176	2,153	2,189	2,288	2,364
Convenience Store - Franchise	237	274	283	278	271
Pharmaceutical Store	144	191	234	267	-
Store Count	2,557	2,618	2,706	2,833	2,635
Revenue (RM'million)	2,539.0	2,808.5	2,484.7	2,783.6	2,925.5
Profit after Tax (RM'million)	35.4	58.8	84.3	270.1	38.5
EBITDA (RM'million)	164.3	202.6	263.2	422.0	206.1

Notes:

EBITDA defined as profit before finance cost, tax, depreciation of assets and exclude impacts from MFRS 16: Leases. PAT and EBITDA in financial year 2023 comprises gain on disposal of Caring Group amounting to RM262.8 million.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (the “**Board**”) of 7-Eleven Malaysia Holdings Berhad (“**7-Eleven**” or “the “**Company**”) recognises the importance of adopting high corporate governance standards, in compliance with the law, regulatory requirements and rules, and ethically to enhance shareholders’ value, besides safeguarding stakeholders’ interest.

In its application of corporate governance practices, the Board has taken into consideration the principles and recommendations set out in the Malaysian Code on Corporate Governance (“**MCCG**”).

This statement is prepared in compliance with Paragraph 15.25(1) of the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad with guidance from Practice Note 9 of the Listing Requirements.

This statement outlines the following principles and recommendations which the Group has comprehended and applied with the best practices outlined in the MCCG:-

- Principle A - Board Leadership and Effectiveness
- Principle B - Effective Audit and Risk Management
- Principle C - Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

Detail applications for each practice as set out in the Code is disclosed in the Corporate Governance Report which is available on the Company's corporate website at www.7eleven.com.my/investor-relations.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

Part I: Board responsibilities

1) Establishing clear roles and responsibilities of the Board

Board of Directors

The Board recognises the key role it plays in charting the strategic direction of the Company and has assumed the following duties and responsibilities in discharging its fiduciary and leadership functions:

- reviewing, evaluating, adopting and approving the strategic plans and policies of the Company and its subsidiaries (the “**Group**”);
- overseeing and monitoring the conduct of business, financial performance and major capital commitments of the Group;
- reviewing and adopting budgets and financial results of the Group, monitoring compliance with applicable financial reporting standards and the integrity and adequacy of financial information disclosure;
- reviewing and approving any major corporate proposal, new business venture or joint venture of the Group;
- identifying principal risks and deploying appropriate risk management system to manage these risks;
- establishing and overseeing a succession planning programme for the Group, including remuneration policy;
- establishing, reviewing and implementing corporate communication policies with shareholders and investors, other key stakeholders and the public;
- reviewing the adequacy and integrity of the internal control and management information systems of the Group; and
- developing a corporate code of conduct to address, amongst others, any conflict of interest relating to Directors, major shareholders and employees in the Group.

Chairman of the Board

The Chairman, Datuk Wira Farhash Wafa Salvador is a Non-Independent Non-Executive Director who chairs and leads the Board meetings by encouraging and eliciting the views of all the Board members. He ensures that proper weightage and time are given to issues of corporate governance, business operations and strategies raised in the Board meetings. In the absence of the Chairman, the role of Chairman will be undertaken by the Deputy Chairman.

The roles of the Chairman are separated from the Co-Chief Executive Officers. The Co-Chief Executive Officers, Mr. Tan U-Ming and Mr. Wong Wai Keong are responsible for the day-to-day operations and management of the business.

There is a clear division of responsibilities between the Chairman of the Board and the Co-Chief Executive Officers to ensure a balance of power and authority. The Chairman is responsible for ensuring the integrity and effectiveness of the governance process of the Board while the Co-Chief Executive Officers hold the primary executive responsibility for the Group's business performance and manage the Group in accordance with the strategies and policies approved by the Board.

The Board views that the Chairman of the Board should not be involved in any Board Committees. This is to ensure a due check and balance as well as that objectivity will not be impaired/influenced by the Chairman of the Board if the Chairman also sits on Board Committee(s). Therefore, our Chairman of the Board is not a member of any of the Board Committees which is in line with MCCG.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I: Board responsibilities (Cont'd)

1) Establishing clear roles and responsibilities of the Board (Cont'd)

Qualified Company Secretaries

The Company Secretaries play an advisory role to the Board in relation to the Company's Constitution, policies, procedures and compliance with relevant regulatory requirements, code or guidance and legislations.

The Directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively and the Board's procedures are adhered to at all times. The Board is regularly updated and advised by the Company Secretaries who are qualified and experienced on statutory and regulatory requirements, and the resultant implications of any change therein to the Group and Directors in relation to their duties and responsibilities.

The Company Secretaries organise and attend all Board meetings including the Annual General Meetings and ensure that all procedures are followed and all the Company's statutory records are updated and maintained accordingly at the Company's registered address.

Directors

The Executive Directors are responsible for providing leadership and overseeing the day-to-day operations and management within their specific areas of expertise or assigned responsibilities.

The Non-Executive Directors, both Independent as well as Non-Independent, are not involved in the day-to-day management of the Company but contribute to the development of the Company's business strategies with the expertise and experience they bring to the Board. The Non-Executive Directors' involvement in, and contribution to, the Board Committees enhances the effectiveness of the Company's governance processes by providing independent judgement and objectivity to the Board's decisions.

Access to information and advice

Directors are entitled to unrestricted access to all the Company's information, documents, records and properties, either as a full Board or in their individual capacity in order to better discharge their responsibilities.

To facilitate the Board meetings, notices on agenda together with supporting Board papers are circulated to the Directors in advance of each Board meeting. The Board papers include, amongst others, Quarterly Financial Report, Internal Audit Report, minutes of all Board Committees meetings, list of all announcements made, summary of Directors' dealings, list of all Directors' Circular Resolutions passed and any other matters requiring the Board's approval. Senior Management, other senior executives or professional advisers are invited to attend the Board meetings to provide additional insights and professional views, advice and explanation on specific items on the Meeting agenda, where necessary.

The Board has adopted a policy enabling the Board Committees and Directors to have access to independent professional advice at the Company's expense as and when considered necessary, in furtherance of their duties. This policy is included in the Board Charter.

Technology is effectively used in the Board and Board Committees' meetings. The agenda and meeting materials are sent online to the Directors before the hardcopy versions of the same. Where the Directors are in remote areas or overseas, they are encouraged to participate in meetings via audio or video conferencing.

2) Demarcation of responsibilities

Board Charter

The Company has established and adopted a Board Charter which serves as a reference point for Board activities. The Board Charter provides guidance for Directors and Management regarding the responsibilities of the Board, Board Committees and Senior Management, the requirements of Directors in carrying out their stewardship roles and in discharging their fiduciary duties towards the Company as well as Boardroom activities. The Board Charter is publicly available on the Company's website at www.7eleven.com.my.

The Board has established a formal schedule of matters reserved to the Board for its deliberation and decision in order to enhance the delineation of roles between the Board and Management, as well as to ensure the direction and control of the Group's operations are in the Board's hands.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I: Board responsibilities (Cont'd)

2) Demarcation of responsibilities (Cont'd)

Board Charter (Cont'd)

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulation that may have an impact on the discharge of the Board's responsibilities. Any subsequent amendment to the Board Charter would be approved by the Board.

Fit and Proper Policy

In line with the Listing Requirements of Bursa Securities, the Company had adopted a Fit and Proper Policy in 30 June 2022 which enhances Board quality in the appointment and re-election of Directors of the Company and its subsidiaries. The Fit and Proper Policy is accessible through the Company's website at www.7eleven.com.my.

Group Governance Framework

Recognising that sound corporate governance practices are pivotal for the smooth, effective, and transparent operation of 7-Eleven, the Board emphasises its role in garnering investor confidence, protecting shareholders' rights, and unlocking shareholder value. Transparency and accountability are championed in the boardroom and throughout the entirety of the Company.

The Company boasts a well-defined and meticulously structured corporate governance framework, aligning with the Board's overarching goal of achieving long-term and sustainable value. This framework fosters a corporate culture that places a premium on ethical behaviour, integrity and accountability. The Group governance framework was adopted on 13 April 2023.

3) Good business conduct and corporate culture

Code of Ethics

The Board has formalised a Directors' Code of Ethics setting out the standards of ethical business behaviour expected from Directors and has embedded it in the Board Charter.

While there are individual provisions governing employees' behaviour and conduct, the Company recognises the importance of having in place a formalised Code of Conduct/ Ethics setting out ethical corporate culture, acceptable behaviour, business ethics and conduct for the Group's employees, and steps will be taken to formalise such a Code of Conduct/ Ethics for observance by the Group's employees, including mechanisms to monitor compliance thereof.

Whistle blowing

The Board has established a whistle blowing mechanism, including pertinent policies and procedures, with the aim to provide an avenue for concerns relating to possible breaches of business conduct, non-compliances of laws and regulatory requirements, and other questionable practices to be raised by employees as well as outside parties without fear of reprisals or retaliation by the Company.

The Company's Whistle Blowing Policy, which can be viewed in detail at the Company's website at www.7eleven.com.my, outlines the processes and procedures on how to raise a concern properly should there be any breach of ethics, improprieties or irregularities involving any employee, Management or Directors of the Company. Individuals who wishes to report a suspected impropriety may submit his/her report to the Head of Internal Audit via whistleblower@7eleven.com.my. This is a secure email address accessible by the Head of Internal Audit and the Senior Independent Non-Executive Director of the Company.

Sustainability

The Board is mindful of its responsibility on the Environmental, Social and Governance ("ESG") aspects of business sustainability. As such, the ESG aspects are considered by the Board in its corporate strategies. Cognisant of this responsibility, the Board has adopted a Sustainability Policy that addresses the impact of the Group's businesses on ESG elements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part I: Board responsibilities (Cont'd)

3) Good business conduct and corporate culture (Cont'd)

Anti-corruption policies

The Company adopted the Anti Bribery & Anti-Corruption ("ABAC") control framework including delivery of tone at the top messages and awareness campaigns; ABAC risk assessments, undertaking control measures by enhancing our policies and procedures, compliance monitoring and enforcements; and training and communication to address the prevention of bribery and corruption, and the requirements of the Malaysian Anti-Corruption Commission's ("MACC") Adequate Procedures Guidelines.

Part II: Board composition

1) Strengthening the Board's composition

As of the date of this Statement, the Board consisted of eight (8) members, comprising two (2) Executive Directors, three (3) Non-Independent Non-Executive Directors, one (1) Senior Independent Non-Executive Director and two (2) Independent Non-Executive Directors. This composition fulfils the Listing Requirements, which stipulate that at least three (3) Directors or one-third (1/3) of the Board, whichever is higher, must be independent. The Board took note of the requirement of Practice 5.2 of the MCCG which requires at least half of the Board comprises Independent Directors. However, the Nominating Committee ("NC") is of the view that the current Board size and composition is appropriate and effective taking account the nature of business operations of the Company. The Board is also satisfied with the current board composition, nevertheless, the Board may consider increasing the number of Independent Directors should there be a suitable candidate.

The profile of each Director is set out on pages 12 to 16 of this Annual Report. The Directors, with their diverse background and qualifications, collectively bring with them a wide range of experience and expertise in areas such as accounting and auditing, taxation, retail, finance, legal, information technology and investment.

The presence of Independent Non-Executive Directors fulfils the pivotal role in corporate accountability. The role of Independent Non-Executive Directors is particularly important as they provide unbiased and independent views, advices and judgements to take into account of the interest, not only of the Group, but also the stakeholders.

Board Committees

To assist in the discharge of its stewardship role, the Board has established the following Board Committees to examine specific matters within their respective terms of reference, as approved by the Board:

- Audit Committee;
- Nominating Committee;
- Remuneration Committee; and
- Risk Management and Sustainability Committee.

All the deliberation, discussions and outcome of the committee meetings are reported by the Chairman of the respective Board Committees to the Board, while the ultimate responsibility for decision making lies with the Board.

I. Audit Committee

The Audit Committee assists the Board in carrying out its statutory and fiduciary responsibilities with regards to the monitoring and management of financial risk processes, accounting practices, internal control system, and the Group's management and financial reporting practices. To accomplish this, the Audit Committee oversees the reports of external and internal auditors, protects the integrity of financial reporting and ensures a sound system of internal controls to protect and enhance the Company's value. The Terms of Reference of the Audit Committee is publicly available on the Company's website at www.7eleven.com.my.

Details of Audit Committee members and activities are reported in the Audit Committee Report on pages 104 to 106.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board composition (Cont'd)

1) Strengthening the Board's composition (Cont'd)

II. Nominating Committee (Cont'd)

The Board has established a Nominating Committee to consider candidates for directorship and Board Committee's membership, and to review the effectiveness of the Board, through performance assessment of the Board, Board Committees, individual Director and individual Audit Committee member. The Terms of Reference of Nominating Committee is publicly available on the Company's website at www.7eleven.com.my.

The Nominating Committee comprises the following members and their attendance during the financial year ended 31 December 2024 are as follows:

Name of Nominating Committee Member	Meeting attended
Puan Sri Datuk Seri Rohani Parkash Binti Abdullah, Chairperson (Independent Non-Executive Director)	1/1
Chan Kien Sing, Member (Non-Independent Non-Executive Director)	1/1
Dato' Richard Alexander John Curtis, Member (Senior Independent Non-Executive Director)	1/1

The Board has entrusted specific terms of reference to the Nominating Committee, which cover, inter-alia, the following salient functions:

- to assist the Board in reviewing, on an annual basis, the required mix of skills, experience and other qualities, including core competencies of Directors;
- to assess and recommend to the Board, candidates for directorship and Board Committee's membership, including chairmanship;
- to establish a mechanism for the formal annual assessment of the effectiveness of the Board, as a whole, and the contribution of each individual Director based on objective performance criteria; and
- to provide adequate training for the Board members and orientation of new Directors with respect to the businesses, structure and management of the Group, enabling the Directors to receive appropriate continuous training in order to keep them apprised of regulatory requirements.

The Board Diversity Policy established by the Company has no specific target on gender, age or ethnicity composition in the Board, as it believes the Company should be appointing Directors who bring with them the requisite skills and experience to enable the Company realises its corporate strategies and objective. Nevertheless, the current composition of the Board represents a diverse mix of Directors of different gender, age and ethnicity, in addition to the blend of background, skills, experience and expertise.

For the financial year ended 31 December 2024, the Nominating Committee carried out, and reported to the Board the outcome of, the following key activities:

- conducted the annual assessment on the effectiveness of the Board, Board Committees and individual Director;
- conducted independence assessment for Independent Non-Executive Directors;
- recommended to the Board, the Directors who are due for re-election by rotation at the Annual General Meeting ("AGM");
- reviewed the term of office and performance of the Audit Committee and each of its members to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference;
- reviewed the composition of the Audit Committee, Nominating Committee, Remuneration Committee and Risk Management and Sustainability Committee; and
- recommended the relevant training programme to enhance the skillset and knowledge of Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board composition (Cont'd)

1) Strengthening the Board's composition (Cont'd)

II. Nominating Committee (Cont'd)

A formal performance assessment of the Board, Board Committees and individual Directors enables the Board to assess its performance and identify areas for improvement. Such a formal assessment was conducted for the financial year ended 31 December 2024, and was guided by the Corporate Governance Guide – Towards Boardroom Excellence taking into consideration the following key elements for assessment:

- appropriate size, composition, independence, mix of skills and experience within the Board and the Board Committees;
- clear definition of the Board and Board Committees' roles and responsibilities;
- effectiveness of the Board and Board Committees in carrying out their roles and responsibilities as stipulated in the Board Charter and/or terms of reference;
- sufficiency and relevance of knowledge and expertise of individual Directors in their respective capacity as members of the Board and Board Committees; and
- Directors' character, experience, competency, integrity, and time commitment to effectively discharge their roles as Directors, including willingness to devote time in performing their roles, apart from attending Board meetings.

Based on the results of the assessment, the Board is satisfied that, the Board as a whole, the Board Committees and each individual Director had performed well and effectively. The overall composition of the Board in terms of size, the mix of skills, experience was also balanced and appropriate. A scoring mechanism was used and each Board member was provided with his/her individual peer aggregate assessment and comments (if any), for personal information and further development. In addition, the Board has obtained the annual declaration of independence from the Independent Directors confirming their independence.

In considering candidates for directorship, the Nominating Committee takes into account the following:

- the candidates' skills, knowledge, expertise, experience;
- professionalism;
- integrity; and
- in the case of candidates for the position of Independent Non-Executive Directors, the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

Proposed appointment of member(s) to the Board to fill any casual vacancy and proposed re-election of Directors seeking for re-election at the AGM are recommended by the Nominating Committee to the Board for approval and consideration for tabling at the AGM for shareholders' approval, as the case may be.

In accordance with Article 99 of the Company's Constitution, at least one-third (1/3) of the Directors, or the number nearest to one-third (1/3) shall retire from office provided always that all Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election.

Directors who are appointed by the Board to fill a casual vacancy shall hold office until the next following AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at the AGM pursuant to Article 105 of the Company's Constitution.

The Company Secretaries ensure that all appointments of Directors are properly made and that all necessary information are obtained from the Directors for the Company's records and for the purposes of meeting statutory obligations as well as obligations arising from the Listing Requirements of Bursa Securities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board composition (Cont'd)

1) Strengthening the Board's composition (Cont'd)

III. Remuneration Committee

In order to assist the Board on fair remuneration practices and attracting, retaining and motivating Directors, the Board established a Remuneration Committee to review Directors' remuneration matters and make relevant recommendations to the Board.

The Remuneration Committee comprises the following members and their attendance during the financial year ended 31 December 2024 are as follows:

Name of Remuneration Committee Member	Meeting attended
Chan Kien Sing, Chairman (Non-Independent Non-Executive Director)	1/1
Puan Sri Datuk Seri Rohani Parkash Binti Abdullah, Member (Independent Non-Executive Director)	1/1
Muhammad Lukman bin Musa @ Hussain, Member ⁽¹⁾ (Non-Independent Non-Executive Director)	1/1
Dato' Richard Alexander John Curtis, Member ⁽²⁾ (Senior Independent Non-Executive Director)	-

Notes:

1. Encik Muhammad Lukman Bin Musa @ Hussain had resigned as member of Remuneration Committee on 1 November 2024.
2. Dato' Richard Alexander John Curtis was appointed as member of Remuneration Committee on 28 January 2025.

The Board has stipulated specific terms of reference for the Remuneration Committee, which include the following functions:

- to review and assess the remuneration packages of the Executive Directors in all forms, with or without independent professional advice;
- to ensure the levels of remuneration are sufficiently attractive to retain Directors needed to run the Company successfully;
- to structure the component parts of remuneration so as to link rewards to corporate and individual performance and to assess the needs of the Company for talent at Board level at a particular time; and
- to recommend to the Board of Directors, the policy and framework for Directors' remuneration as well as the remuneration packages and terms of service of Executive Directors.

For the financial year ended 31 December 2024, the Remuneration Committee carried out, and reported to the Board the outcome of, the following key activities:

- reviewed and assessed the salary increment of the employees and remuneration packages of the Executive Directors of the Company;
- reviewed and assessed the bonus payment of the employees and its Executive Directors of the Company; and
- reviewed and discussed the Directors' fees and benefits payable to the Non-Executive Directors.

No Director shall take part in decisions involving his/her own remuneration. However, the Executive Directors may attend Remuneration Committee meeting at the invitation of the Remuneration Committee's Chairman, if their presence is required.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board composition (Cont'd)

1) Strengthening the Board's composition (Cont'd)

IV. Risk Management and Sustainability Committee ("RMSC")

To better address risk faced and develop the Environment, Social and Governance ("ESG") matters of the Company, the Board established a Risk Management and Sustainability Committee on 20 April 2022. The Board is in the opinion that the new changes will be more effective to ensure the Board's role in considering sustainability matters when exercising its duties of developing and implementing company strategies, business plans, major plans of actions and risk management and that adequate resources, systems and process are in place for managing sustainability matters. The RMSC will review the sustainability reports and emerging issues. The Company will continue to review and enhance Key Performance Indicators ("KPIs") related to sustainability to further strengthen its governance practices from time to time. The RMSC is also responsible for overseeing the development, implementation and execution of the risk management framework and processes in identifying, assessing, managing, and monitoring the risks of the Company and its subsidiaries of which the effectiveness of the framework is reviewed annually.

The Group recognises the importance of setting a Business Continuity Management ("BCM") in place to ensure business resilience and capability in recovering from a crisis should it occur. The ongoing development of the Group's Business Continuity Plan to ensure business continuity during disruptive periods is under the oversight of the RMSC. To further strengthen the Group's BCM efforts, the Company has established a dedicated working group and management unit, mirroring the structure in place for risk and sustainability.

The RMSC comprises the following members and their attendance during the financial year ended 31 December 2024 are as follows:

Name of Risk Management and Sustainability Committee Member	Meeting attended
Dato' Richard Alexander John Curtis, Chairman (Senior Independent Non-Executive Director)	5/5
Moyra Binti Ibrahim, Member (Independent Non-Executive Director)	5/5
Muhammad Lukman Bin Musa @ Hussain, Member ⁽¹⁾ (Non-Independent Non-Executive Director)	4/4
Puan Sri Datuk Seri Rohani Parkash Binti Abdullah, Member ⁽²⁾ (Independent Non-Executive Director)	-

Notes:

1. Encik Muhammad Lukman Bin Musa @ Hussain had resigned as member of Risk Management and Sustainability Committee on 1 November 2024.
2. Puan Sri Datuk Seri Rohani Parkash Binti Abdullah was appointed as member of Risk Management and Sustainability Committee on 28 January 2025.

For the financial year ended 31 December 2024, the RMSC carried out, and reported to the Board the outcome of, the following key activities:

- Reviewed risk management activities conducted by Risk Management Working Group;
- Deliberated on the development of the Business Continuity Plan of the Group;
- Reviewed the adoption of Climate Change Policy;
- Reviewed the Statement of Risk Management and Internal Control, Corporate Governance Overview Statement, Corporate Governance Report and Sustainability Report;
- Reviewed the Enterprise Risk Management framework of the Group; and
- Reviewed the sustainability activities carried out and matters of the Group.

2) Reinforcing independence

In line with the MCCG, the Board, with the assistance of the Nominating Committee reviews the independence of the Company's Independent Non-Executive Directors on an annual basis. The Board adopts the definition of an 'Independent Non-Executive Director' as provided by the Listing Requirements of Bursa Securities, and such definition is used as criteria for Directors' independence assessment, which has been carried out as at the date of this Statement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board composition (Cont'd)

2) Reinforcing independence (Cont'd)

The Board acknowledges the importance of Independent Non-Executive Directors in bringing objectivity and impartiality in providing unbiased opinion and judgment to ensure that the interests of the Group, shareholders, customers and other stakeholders are taken into account during its decision making process. The Board consists of three (3) Independent Directors who were neither involved in the business transactions nor participated in the day-to-day management of the Group.

The Company meets the requirement prescribed by the Listing Requirements of Bursa Securities to have at least one-third (1/3) of its Board members being Independent Directors.

The Board takes cognisance Practice 5.2 of the MCCG where the Board shall comprise at least half of the Independent Directors, the Board is of the view that the current composition of Independent Non-Executive Directors fairly reflects the interest of minority shareholders of the Company through the Board's representation. The Board is satisfied with the level of independence demonstrated by the Independent Non-Executive Directors and their ability to act in the best interests of the Company.

The Board, save for the Independent Non-Executive Directors, has determined that the Independent Directors have fulfilled the criteria under the definition of an Independent Director as stated in the Listing Requirements of Bursa Securities and are able to maintain their independent and objective judgements, and contribute positively to the business strategies, operations and corporate governance of the Company and the Group.

3) Fostering commitment

The Board meets at least four (4) times annually, with the meetings scheduled well in advance before the end of the preceding financial year to facilitate the Directors in managing their meeting plans. Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings.

At the quarterly Board meetings, the Board reviews the business performance of the Group and discusses major operational and financial issues. All pertinent issues discussed at Board meetings in arriving at decisions and conclusions are recorded by the Company Secretaries by way of minutes of meetings. During the financial year under review, the number of Board meetings attended by each Director is as follows:

Name of Directors	Meetings attended
Datuk Wira Farhash Wafa Salvador	4/6
Dato' Richard Alexander John Curtis	6/6
Tan U-Ming	5/6
Wong Wai Keong	6/6
Puan Sri Datuk Seri Rohani Parkash Binti Abdullah	6/6
Moyra Binti Ibrahim	6/6
Chan Kien Sing	6/6
Tsai, Tzung-Han	5/6
Muhammad Lukman Bin Musa @ Hussain (Resigned on 1 November 2024)	5/5

* Reflects the attendance and the number of meetings held during the financial year since the Director held office..

The Board has also stipulated in its Board Charter, the need for Directors to notify the Chairman before accepting new directorships outside the Group and indicating the time that will be spent on the new directorship. Similarly, the Chairman of the Board shall also do likewise, and notify the Board as a whole, before taking up any additional appointment of directorships. This practice is to ensure that Directors devote sufficient time to meet the Company's needs and in the discharge of their fiduciary and leadership roles.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board composition (Cont'd)

3) Fostering commitment (Cont'd)

The Board is mindful that continuous education is vital for Board members to gain insight into the state of the economy, technological advances, regulatory updates and management strategies to enhance the Board's skill sets and knowledge in discharging its responsibilities.

All Directors appointed to the Board, apart from attending the Mandatory Accreditation Programme of Bursa Securities, have also attended other relevant trainings, conferences and seminars organised by relevant regulatory and professional bodies to be apprised of latest developments and changes to regulatory requirements that may affect their roles as Directors of the Company.

The continuous education programmes attended by the Directors as of the date of this Statement, during the financial year ended 31 December 2024 comprise the following:

Name of Director	Continuous education programmes attended in Year 2024
Datuk Wira Farhash Wafa Salvador	<ul style="list-style-type: none"> - Anti-Bribery and Corruption - Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Dato' Richard Alexander John Curtis	<ul style="list-style-type: none"> - Anti-Bribery and Corruption - The Leaders Council Power Breakfast - MIA International Accountants Conference 2024 - Board Succession Planning - Mandatory Accreditation Programme Part II: Leading for Impact (LIP) - Case Studies: Wirecard's Reluctant Whistleblower & Other Financial Deceptions - National Sustainability Reporting Framework
Tan U-Ming	<ul style="list-style-type: none"> - Anti-Bribery and Corruption - MIA International Accountants Conference 2024 - YPO: A Day of Disruption with David Roberts - Mandatory Accreditation Programme Part II: Leading for Impact (LIP) - YPO: Re-adapt to lead in disruptive times with Riaz Shah - Forbes Global CEO Conference 2024
Wong Wai Keong	<ul style="list-style-type: none"> - Anti-Bribery and Corruption - MIA International Accountants Conference 2024 - Mandatory Accreditation Programme Part II: Leading for Impact (LIP) - Intel® Edge AI Solution Summit - ASEAN Innovation Business Platform (AIBP) Conference - ExecLeaders at Cloud Day Malaysia Conference - Senior Leadership Team Development Program
Chan Kien Sing	<ul style="list-style-type: none"> - Anti-Bribery and Corruption - MIA International Accountants Conference 2024 - Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Tsai, Tzung-Han	<ul style="list-style-type: none"> - Employee Confidentiality Education in 2024 - 2024 Board Information Security Advisory Panel: Geopolitical Judgment and Cross-Strait Security Situation Analysis - 2024 Cathay United Bank Overseas Units AML/CFT Training-H1 - The First Course of Social Engineering in 2024 - 2024 Introduction to Whistle-blowing System - Information Security Awareness Promotion: The Impact and Risks of Deepfakes - 2024 Summing-up of Cyber Security Execution Progress - 2024 Treating Customers Fairly (TCF) - 2024 Board Information Security Advisory Panel: Explanation of Common External Fraud Cases in the Financial Industry - Internal Ratings-Based Approach (IRB)/Risk Management Dept. - Cathay Sustainable Finance and Climate Change Summit - Cathay Asset Management Summit - 2024 Prevention of Sexual Harassment at Workplace

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part II: Board composition (Cont'd)

3) Fostering commitment (Cont'd)

Name of Director	Continuous education programmes attended in Year 2024
Tsai, Tzung-Han	<ul style="list-style-type: none"> - On-the-Job Training for Safety Committee Members and Introduction to Occupational Safety and Health/General Affairs & Safety Dept. - The First Information Security Foundation Course in 2024 - 2024 BCM acknowledge training - 2024 Personal Information Protection Act & Practice - 2024 Accessibility of Financial Services/Compliance Dept. - General Studies of Risk Management/Risk Management Dept. - The Second Course of Social Engineering in 2024 - 2024 Code of Conduct Training - 2024 Introduction to Principles Governing Cross-Border Activities - 2024 AML & CFT Training for Board Members and Top Management/AMLC Dept. - 2024 Board Information Security Advisory Panel: Digital Trust and Sustainable Development - 2024 Cathay United Bank Overseas Units AML/CFT Training-H2 - The Second Information Security and IoT Security Foundation Course in 2024 - Introduction to IFRS 17 (E-course for Directors) - 2024 AML/CFT & Treating Customers Fairly (TCF) Training for Directors, Supervisors and Top Management - 2024 Self-Inspection Operations - 2024 The Strategic Leadership Conference-H1 - 2024 The Strategic Leadership Conference-H2
Puan Sri Datuk Seri Rohani Parkash Binti Abdullah	<ul style="list-style-type: none"> - Anti-Bribery and Corruption - Being Sued as an INED – A Personal Journey - KL International Sustainability Conference 2024 - Virtual MIA International Conference 2024 - Mandatory Accreditation Programme Part II: Leading for Impact (LIP) - How can boards make the most of blockchain and digital assets - Anti-Money Laundering and financing of terrorism compliance - Unlocking Strategic Success: Building and Sustaining Multi-Partner Alliances
Moyra Binti Ibrahim	<ul style="list-style-type: none"> - Anti-Bribery and Corruption - MIA International Accountants Conference 2024 - Mandatory Accreditation Programme Part II: Leading for Impact (LIP) - Malaysia's Fund management (Part 1) - Funds Management Regulations Programme - Asset and Funds Management Programme - National Sustainability Reporting Framework - AMLA & ABC Made Effective

The Company Secretaries normally circulate the relevant statutory and regulatory requirements from time to time for the Board's reference and brief the Board on the updates, where applicable.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part III: Remuneration

1) Directors' remuneration

The Directors' remuneration paid or payable from the Company and its subsidiaries on the named basis during the financial year ended 31 December 2024 categorised into appropriate components are as follows:-

Company	Group			Total (RM)		
	Fee (RM)	Meeting Allowance (RM)	Salaries and/ or Bonus* (RM)		Other Emoluments^ (RM)	Benefits- in-kind (RM)
Executive Director						
Tan U-Ming	-	-	1,959,395	-	42,017	2,001,412
Wong Wai Keong	-	-	1,959,395	-	16,000	1,975,395
Non-Executive Director						
Datuk Wira Farhash Wafa Salvador	60,000	2,500	-	-	-	62,500
Dato’ Richard Alexander John Curtis	60,000	8,000	-	-	-	68,000
Chan Kien Sing	60,000	5,000	-	60,000	-	125,000
Tsai, Tzung-Han	60,000	3,500	-	-	-	63,500
Puan Sri Datuk Seri Rohani Parkash Binti Abdullah	60,000	8,500	-	-	-	68,500
Moyra Binti Ibrahim	60,000	23,000	-	-	-	83,000
Muhammad Lukman Bin Musa @ Hussain (Resigned on 1 November 2024)	50,167	8,500	-	-	-	58,667
Total	410,167	59,000	3,918,790	60,000	58,017	4,505,974

Notes:-

* The salaries and/or bonus are inclusive of employer's provident fund contributions.

^ The other emoluments inclusive of varies allowances, ex-gratia and leave-pay paid to Directors.

2) Top five (5) Senior Management's remuneration

Details remuneration of the top five (5) Senior Management are not disclosed as the Board is of the view that it would not be in the best interest of the Company to disclose the aforesaid details in view of the competitiveness in the market for calibre Senior Management staff in the retail industry.

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

1) Upholding integrity in financial reporting

It is the Board's commitment to provide and present a clear, balanced and comprehensive assessment of the Group's financial performance and prospects at the end of each reporting period and financial year, primarily through the quarterly announcement of the Group's results to Bursa Securities, the annual audited financial statements of the Group and the Company as well as the reports of the Board and the Co-Chief Executive Officers' review of operations in the Annual Report.

The Board is responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and the Company as at the end of the reporting period and of their results and cash flows for the period then ended.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

1) Upholding integrity in financial reporting (Cont'd)

To assist in the discharge of its duties on financial reporting, the Board has established an Audit Committee, comprising wholly Non-Executive Directors with a majority of Independent Non-Executive Directors, chaired by an Independent Non-Executive Director. The composition of the Audit Committee, including its roles and responsibilities, are set out in the Audit Committee Report on pages 104 to 106 of this Annual Report. One (1) of the key responsibilities of the Audit Committee in its specific terms of reference is to ensure that the financial statements of the Group and the Company comply with the applicable approved financial reporting standards in Malaysia and provisions of the Companies Act 2016. Such financial statements comprise the quarterly financial report announced to Bursa Securities and the annual statutory financial statements.

None of the Audit Committee members was a former key audit partner of the Company and the Board would consider establishing a written policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee when the Board reviews the terms of reference of the Audit Committee in due course.

All members of the Audit Committee have the relevant accounting and/or related financial experience and expertise to effectively discharge their duties. The qualifications and experience of each individual Audit Committee member are disclosed in the Directors' Profile in this Annual Report.

The Directors are satisfied that in preparing the financial statements of the Group and the Company for the financial year ended 31 December 2024, the Group has used appropriate accounting policies and applied them consistently. The Directors are also of the view that relevant applicable approved financial reporting standards have been followed in the preparation of these financial statements.

The Board understands its role in upholding the integrity of financial reporting by the Company. Accordingly, the Audit Committee, which assists the Board in overseeing the financial reporting process of the Company, has formalised a Non-Audit Services Policy governing the types of non-audit services permitted to be provided by the External Auditors. To address the threats faced by the External Auditors, including self-review and self-interest threats in relation to the independence and objectivity of the External Auditors, the Non-Audit Services Policy provides for safeguards which may be considered, including having an engagement team different from the External Audit team to provide the non-audit services.

In assessing the independence of External Auditors, the Audit Committee obtains confirmation from the External Auditors, indicating that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

The Audit Committee, after due deliberation, has recommended the re-appointment of Messrs. Ernst & Young PLT as the External Auditors for the financial year ending 31 December 2025. The Board at its meeting held on 17 April 2025 approved the Audit Committee's recommendation. The re-appointment of Messrs. Ernst & Young PLT will be presented for shareholders' approval at the forthcoming Twelfth AGM.

2) Recognising and managing risks

The Board regards risk management and internal controls as an integral part of the overall management processes. As such, the Board has established an Enterprise Risk Management ("**ERM**") framework to identify and manage significant risks faced in the Group's operations. For the effective implementation of ERM, a Risk Management Working Group, headed by the Co-Chief Executive Officers, has been established, comprising key management personnel from the respective divisions. The Risk Management Working Group is tasked to report to the Risk Management and Sustainability Committee on key risks identified and the implementation of action plans to mitigate the risks. The Board is apprised, via the Risk Management and Sustainability Committee, of the Group's risk profile, including action plans to address the significant risks. On 20 April 2022, the Group merged the Sustainability Management Committee and Risk Management Committee.

The Board has outsourced its internal audit function to a professional firm, namely KPMG Management & Risk Consulting Sdn. Bhd. The internal audit function reports directly to the Audit Committee on the adequacy and effectiveness of the system of internal controls. The internal audit function is independent of the Company, Board and Management. The scope of works covered by the internal audit function for the financial year under review is furnished in the Audit Committee Report as set out on pages 104 to 106 of this Annual Report. The internal audit carried out by the internal audit function is guided by internal auditing standards promulgated by the Institute of Internal Auditors Inc., a globally recognised professional body for internal auditors. The cost incurred on the internal audit function for the financial year under review was amounted to approximately RM45,000.00.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1) Ensuring timely and high quality disclosure

The Board is aware of the need to establish corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosures relating to the Company and its subsidiaries to be made to the regulators, shareholders and stakeholders. Accordingly, as of the date of this Statement, the Board has formalised pertinent corporate disclosure policies and procedures to streamline information disclosure practices.

It is also required of the Directors and employees, who are in possession of price-sensitive information on the Company which is not publicly available, and who deal in the securities of the Company, to notify the Company within a specific timeframe as prescribed by the Listing Requirements of Bursa Securities.

The Company's corporate website at www.7eleven.com.my serves as a key communication channel for shareholders, investors, members of the public and other stakeholders to obtain up-to-date information on the Group's activities, financial results, major strategic developments and other matters affecting stakeholders' interests.

The Board has earmarked a dedicated section for investor relations on the Company's website, where information on the Company's announcements to the regulators, the Board Charter, rights of shareholders, and the Company's Annual Report may be accessed.

2) Strengthening relationship between the Company and its shareholders

The AGM of the Company serves as the principal forum that provides opportunities for shareholders to raise questions pertaining to issues in the Annual Report, audited financial statements, and corporate developments in the Group, the resolutions being proposed and concerns over the Group's businesses, to the Board for clarification. The Chairman as well as the Co-Chief Executive Officers, and the External Auditors, if so required, will respond to shareholders' questions during the AGM.

Pursuant to the Listing Requirements of Bursa Securities, any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, must be voted by poll. Hence, voting for all the resolutions as set out in the forthcoming and future general meetings will be conducted as such. An independent scrutineer will be appointed to validate the votes cast at the general meetings.

Adequate notice period for the AGM of not less than twenty-eight (28) days is communicated to all the shareholders to enable them to go through the Annual Report and papers supporting the resolutions proposed.

The Board recognises the importance of being transparent and accountable to the Company's investors. The Company will hold group and individual discussions with analysts, institutional shareholders, and investment communities, at their request, with the view to fostering greater understanding of the business of the Group. The various channels of communications are through the quarterly announcements on the financial results to Bursa Securities, relevant announcements and circulars, when necessary, the Annual and Extraordinary General Meetings and through the Group's website at www.7eleven.com.my where shareholders can access corporate information, Annual Reports, press releases, minutes of AGMs, financial information, and the Company's announcements. To maintain a high level of transparency and to effectively address any issue or concern, the Group has a dedicated electronic mail, i.e. ir@7eleven.com.my to which stakeholders can direct their queries or concerns.

This Corporate Governance Overview Statement was approved by the Board of Directors of the Company on 17 April 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (the “Board”) of 7-Eleven Malaysia Holdings Berhad (“7-Eleven” or the “Company”) is committed to maintaining a sound system of risk management and internal control in the Group (comprising the Company and its subsidiaries) and is pleased to provide the following Risk Management and Internal Control Statement (the “Statement”), which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 31 December 2024 (“FY2024”). For the purpose of disclosure, the Board has taken into consideration the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (the “Guidelines”), a publication issued by Bursa Malaysia Securities Berhad (“Bursa Securities”) on the issuance of Risk Management and Internal Control Statement pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Securities.

BOARD RESPONSIBILITY

The Board recognises the importance of maintaining a sound system of internal control and the proper identification and management of risks affecting the Group's operations in order to safeguard shareholders' investments. Accordingly, the Board affirms its overall responsibility for the Group's system of risk management and internal control, and for reviewing the adequacy and operating effectiveness of the said system. The system covers not only financial but operational and compliance risks and the relevant controls designed to manage the said risks. In view of the limitations inherent in any system of risk management and internal control, the system is designed to manage, rather than eliminate, the risk of failure to achieve the Group's corporate objectives. The system can, therefore, only provide reasonable, but not absolute assurance, against material misstatement or losses.

RISK MANAGEMENT FRAMEWORK

The Board believes that risk management is vital to the Group's operational sustainability and the enhancement of shareholders' value. The Enterprise Risk Management (“ERM”) framework for the Group, focuses on the Group's core business operations and primarily comprised the following:

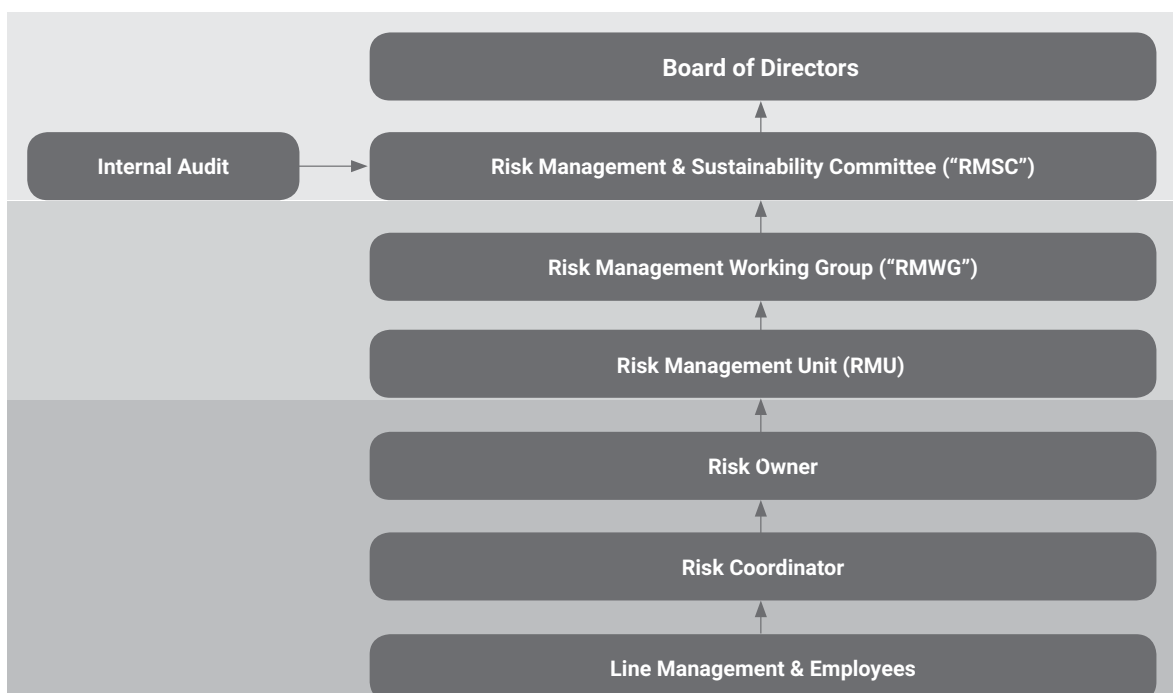
- Risk management policy and guidelines, which have been adopted by the Board; and
- Structured process on risk identification, evaluation, mitigating controls, monitoring and reporting.

RISK APPETITE

Risk appetite refers to the levels and categories of risk the Group is prepared to accept in pursuit of its business and strategic goals as set out in its risk parameters. The Board recognises the need to balance the Group's risk appetite with its objective to maximise long term value and that the Group's risk appetite has to remain adaptable to changing market conditions and business goals so as to minimise the potential for loss while also maximising opportunities for growth.

RISK GOVERNANCE & OVERSIGHT

Recognising the importance of leadership and a clear line of responsibility in effective risk management, the Group risk oversight structure is shown as below: -



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK GOVERNANCE & OVERSIGHT (CONT'D)

The Group adopts the 'three lines of defence' model for risk management under the ERM Framework.

Board of Directors		
<ul style="list-style-type: none"> To ensure the risk appetite is established by the RMSC and approved by the Board as the basis for Management to operate and to ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks; To review, evaluate and approve an effective risk management framework, policies, system of internal controls and reporting system; To review and deliberate on the Group's key risks, risk profiles and the risk treatments to mitigate the risks to the Group's objectives and business. 		
Risk Management and Sustainability Committee ("RMSC")		
<ul style="list-style-type: none"> To set and recommend for approval by the Board the risk appetite which the Board requires Management to operate within and to ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks; Review and recommend to the Board an effective risk management framework and policies, system of internal controls and a reporting system; Review and deliberate the Group's key risks, risk profiles and the risk treatments to mitigate the risks to the Group's objectives and business; 		
Lines of Defence		
First Line	Second Line	Third Line
Risk Owners <ul style="list-style-type: none"> Heads of Departments are accountable for all risks assigned under their respective areas of responsibility. They are responsible to identify and to manage these risks through internal control processes and to escalate details thereof to the RMWG through their RMU They are responsible to build up the risk management awareness and capabilities of their line management and employees. 	Risk Management Working Group (RMWG) <ul style="list-style-type: none"> Establish frameworks, policies and procedures. Provide overall risk governance and oversight and challenge the First Line's risk identification controls and mitigation actions. Ensure compliance to all applicable laws, regulations and to the Group's frameworks, policies and procedures. 	Internal Audit <ul style="list-style-type: none"> Provide independent assessment of the Group's internal control processes through validating the results of these processes and, where applicable, give recommendations to improve the processes.

Essentially, the Board retains the overall risk management responsibility to identify principal risks and ensure the implementation of appropriate controls to manage these risks. The Board approves the risk management strategies but delegates authority through the RMSC and RMWG for risk management, including the timely review of identified risks and the effectiveness of mitigation strategies and controls.

Accountable to the Board, the RMSC meets on a quarterly basis to:

- Set and periodically review the risk appetite of the Group that Management is required to operate within
- Review the implementation of the ERM framework;
- Deliberate on key business risks and mitigating controls to address the risks identified;
- Provide oversight of the Group's insurance policies, cyber security management, business continuity and disaster recovery plans, Charts of Authority, anti-bribery and anti-corruption matters;
- Oversee the execution and implementation of the Group's sustainability strategy, monitor the progress of our sustainability initiatives and establish of Group's sustainability targets; and
- Recommend to the Board for endorsement or approval where necessary.

The RMWG's role is to develop the Group's risk management strategies and appetite aligned with the Group's business objectives, to collate and assess the critical risks identified at the Risk Management Unit level and to perform overall risk oversight before escalating the significant risks and any other material issues to RMSC.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK GOVERNANCE & OVERSIGHT (CONT'D)

At the Risk Management Unit level, the respective risk owners are responsible for identifying risks that may have an adverse impact to their operational and/or financial goals, including any other business objectives. In assessing and monitoring identified risks, the Group employs the use of a matrix to map out the risk materiality impact and likelihood of occurrence. And after taking into consideration the effectiveness of mitigating controls and action plans taken or proposed to be taken, these identified risks are then ranked according to their residual risks. The said risk matrix is assessed and reviewed over time, in accordance with the changes in the Group's operating landscape and strategic direction, to ensure relevancy and effectiveness.

In FY2024, the RMSC had duly reviewed, appraised and assessed the efficacy of the controls and progress of action plans taken to mitigate, monitor and manage the Group's risk exposure. The RMSC has subsequently provided assurance to the Board that the Group's ERM framework and internal controls are operating adequately and effectively in all material aspects. The RMSC has reviewed and the Board has subsequently approved the Group Governance Framework.

In addition, the RMSC also recognises the importance of business continuity and sustainability. To this end, the RMSC is in the process of establishing a formal Business Continuity Management ("BCM") framework, which outlines the standard and guidelines for building organisational resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand, and its operations. This ongoing initiative aims to develop business recovery procedures and essential resources to recover and resume critical business functions during a disaster that incapacitates the Group's normal operational capability. The BCM framework will complement relevant risk management disciplines in the Group whereby ERM framework will enable the process to identify, address, report and monitor all potential risk that may affect the Group's ability to meet its strategic objectives.

ERM PROCEDURE

The objectives of this Procedure are to:

- Outline the Group's risk context which comprises its philosophies, strategies and policies, and operating system so as to better manage the principal business risks faced by the Group;
- Provide guiding ERM principles and a common approach to Head of Departments to govern the actions of their operating personnel pertaining to risks; and
- Provide assurance to the Senior Management that a sound risk management and internal control system is in place and consistent with globally accepted risk management standards, ISO 31000:2018 Risk Management Standards - Guidelines.

RISK ASSESSMENT PROCESS

Risk assessment is the overall process of risk identification, risk analysis and risk evaluation. Risk assessment is conducted systematically, iteratively and collaboratively, drawing on the knowledge and views of stakeholders. The assessment is drawn using the best available information, supplemented by further enquiry as necessary.

Our risk assessment process is illustrated in the following diagram:



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL FRAMEWORK

The key elements of the Group's internal control framework are described below:

(a) Limits of authority and responsibility

A process of hierarchical reporting has been established which provides for a documented trail of accountability. This includes clearly defined lines and limits of authority, responsibility and accountability which have been established through the Group's organisational structures and authority limits, including specific matters requiring the Board's approval; and

(b) Planning, monitoring and reporting

The following internal control processes have been established:

- **Strategic Business Planning Processes**
Appropriate business plans are developed where the Group's business objectives, strategies and targets are articulated to the Board. Business planning and budgeting are undertaken annually to establish plans and targets against which performance is monitored on an ongoing basis;
- **Documented Policies and Procedures**
Internal policies and procedures, which are set out in standard operating manuals, covering core operational areas of the Group, are maintained to streamline activities and are subject to review as considered necessary;
- **Performance Monitoring and Reporting**
The Group's management team monitors and reviews the Group's financial and operational performance on a monthly basis, including monitoring and reporting of performance against the operating plans. The management team formulates and communicates action plans to address areas of concern;
- **Financial Performance Review**
The quarterly and annual results of the Group are reviewed by the Audit Committee which recommends to the Board for approval before release of the same to the regulators whilst the full year financial statements are audited by the External Auditors before their issuance to the regulators and shareholders;
- **Safeguarding of Assets**
Sufficient insurance coverage and physical safeguards over major assets of the Group are in place to ensure that the assets are adequately protected against calamities and/ or theft that may result in material losses to the Group.

This internal control framework has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report of the Company.

BOARD'S COMMENTARY ON THE SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL

The Board is of the view that there has been no material breakdown or weakness in the system of risk management and internal control of the Group for the financial year ended 31 December 2024 that may result in a significant loss to the Group. The Board continues to take pertinent measures to improve the Group's risk management and internal control system in meeting the Group's strategic objectives. In addition, the Board has received assurance from the Executive Directors cum Co-Chief Executive Officers and that the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects, for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report of the Company.

LIMITED ASSURANCE PROCEDURES PERFORMED ON THE STATEMENT BY EXTERNAL AUDITORS

The external auditors, Messrs. Ernst & Young PLT, have performed limited assurance procedures on this Statement on Risk Management and Internal Control for inclusion in the Annual Report of 7-Eleven for the year ended 31 December 2024 and have reported to the Board that nothing had come to their attention that caused them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosure required by paragraphs 41 and 42 of the *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers* to be set out, nor is this Statement factually inaccurate.

This Statement is made in accordance with a resolution of the Board dated 17 April 2025.

AUDIT COMMITTEE REPORT

In line with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board has established an Audit Committee to assist the Board in discharging its statutory duties and responsibilities relating to accounting and reporting practices. The terms of reference of Audit Committee is publicly available on the Company's website at www.7eleven.com.my.

COMPOSITION AND MEETING ATTENDANCE

The composition of the Audit Committee and the attendance of its members at the five (5) meetings held during the financial year ended 31 December 2024 are as follows:

Name of Audit Committee Member	Meetings attended
Moyra Binti Ibrahim, Chairperson (Independent Non-Executive Director)	5/5
Puan Sri Datuk Seri Rohani Parkash Binti Abdullah, Member (Independent Non-Executive Director)	5/5
Muhammad Lukman Bin Musa @ Hussain, Member ⁽¹⁾ (Non-Independent Non-Executive Director)	4/4
Chan Kien Sing, Member ⁽²⁾ (Non-Independent Non-Executive Director)	-

Notes:

1. Encik Muhammad Lukman Bin Musa @ Hussain had resigned as member of Audit Committee on 1 November 2024.
2. Mr. Chan Kien Sing was appointed as member of Audit Committee on 28 January 2025.

MEMBERSHIP

The Member of the Audit Committee were appointed by the Board from amongst the Directors and shall comprise no fewer than three (3) members, all of whom must be Non-Executive Directors with a majority of them being Independent Non-Executive Directors.

As at the date of this Report, two of the Audit Committee members are the member of the Malaysian Institute of Accountants. This composition fulfills the Listing Requirements, which stipulate that at least one (1) member of the Audit Committee must be a member of the Malaysian Institute of Accountants or, alternatively, a Director who has at least three (3) years working experience and has passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967 or is a member of one of the associations of accountants specified in Part II of the said Schedule or fulfils such other requirements as prescribed or approved by Bursa Securities. The members of the Audit Committee have also elected Puan Moyra Binti Ibrahim as the Chairperson who is an Independent Non-Executive Director.

During the year under review, the Nominating Committee had reviewed the terms of office and performance of the Audit Committee and each of its members, and was satisfied with the performance of the Audit Committee and noted that each of the members have carried out their duties and responsibilities in accordance with the terms of reference of the Audit Committee.

SUMMARY OF WORK OF THE AUDIT COMMITTEE

The summary of work carried out by the Audit Committee during the financial year under review is as follows:

(a) Financial Reporting

- reviewed the annual audited financial statements and principal matters arising from audit with the External Auditors. The key areas of focus were as follows:
 - any change in or implementation of accounting policies and practices;
 - significant adjustments arising from the audit;
 - going concern assumption;
 - compliance with accounting standards and other legal requirements;
 - significant matters highlighted in the financial statements; and
 - significant judgements made by the Management.

AUDIT COMMITTEE REPORT

SUMMARY OF WORK OF THE AUDIT COMMITTEE (CONT'D)

The summary of work carried out by the Audit Committee during the financial year under review is as follows (Cont'd):

(a) Financial Reporting (Cont'd)

- reviewed the unaudited quarterly financial results before recommending the same to the Board for consideration and approval for release to Bursa Securities;
- reviewed the solvency tests prior to recommending the declaration of the interim single-tier dividends paid out to the Company's shareholders for the financial year ended 31 December 2023 to the Board for approval, having been satisfied that the Company will remain solvent after the distribution is made, pursuant to the Companies Act 2016;
- reviewed the Budget for the financial year ending 31 December 2025 and proposed to the Board for approval;
- reviewed the Audit Committee Report for inclusion into the Annual Report 2023; and
- The dates the Audit Committee meeting held during the financial year to deliberate on financial reporting matters as detailed below:

Date of meeting	Financial Reporting/Statements Reviewed
29 February 2024	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the fourth quarter ended 31 December 2023
18 April 2024	Audited Financial Statements for the financial year ended 31 December 2023, Audit Committee Report for the Board's approval and disclosure in the Company's Annual Report 2023
29 May 2024	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the first quarter ended 31 March 2024
22 August 2024	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the second quarter ended 30 June 2024
21 November 2024	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the third quarter ended 30 September 2024
	Review the Budget of the Group for the financial year ending 31 December 2025

(b) External Audit

- reviewed the External Auditors' audit plan for the financial year ended 31 December 2024, including the key areas of audit emphasis, audit approach and their proposed audit fees;
- reviewed, discussed and assessed all significant matters highlighted by the External Auditors on financial reporting and operation issues;
- met with the External Auditors without the presence of Executive Directors and Management on 29 February 2024 and 21 November 2024; and
- reviewed the independence and effectiveness of the External Auditors and recommended to the Board to propose to shareholders on the re-appointment of the External Auditors at the Annual General Meeting of the Company.

(c) Internal Audit

The internal audit function is outsourced to an independent professional firm, namely KPMG Management & Risk Consulting Sdn. Bhd., which reports directly to the Audit Committee. The internal audit function carried out its work, taking into consideration the International Standards for the Professional Practice of Internal Auditing as promulgated by the Institute of Internal Auditors, Inc.

AUDIT COMMITTEE REPORT

SUMMARY OF WORK OF THE AUDIT COMMITTEE (CONT'D)

(c) Internal Audit (Cont'd)

During the year, the Audit Committee had undertaken the following in respect of internal audit:

- reviewed all internal audit reports, including Management's responses to the observations raised by the Internal Auditors, and action plans to be implemented by the Management on the issues reported;
- reviewed the outcome of follow-up audits to ascertain the status of implementation by Management on the recommended action plans highlighted in the previous internal audit reports;
- reviewed the Anti-Bribery and Anti-Corruption Risk assessment;
- reviewed the incidents of whistleblowing; and
- reviewed the theft by employee cases of above RM10,000 per incident.

For the financial year ended 31 December 2024, the internal audit function had covered the area of 7- CAFé food and raw material handling processes and follow up on findings of previous internal audit report. The following activities were carried out:

- tabled for the Audit Committee's consideration and approval of the internal audit plan and the underlying scope of work before commencement of internal audit;
- carried out internal audit testing on the Group's compliance with its policies and procedures as well as relevant rules and regulations;
- reviewed and assessed the adequacy of internal controls deployed by Management on the area of coverage in the internal audit;
- reported the outcome of the internal audit by way of a formal internal audit report, highlighting the observations and recommendations for Management's consideration in improving the Group's internal control system; and
- followed up and reported the status of implementation by Management on recommendations highlighted in the previous internal audit reports.

The costs incurred for the internal audit function in respect of the financial year ended 31 December 2024 amounted to approximately RM45,000.

(d) Related Party Transactions

- reviewed all recurrent and related party transactions within the Group to ensure these transactions were at arm's length basis and in the ordinary course of business; on terms not more favourable than those generally available to the public; and in accordance with the mandate approved by the shareholders;
- reviewed the procedures for recurrent related party transactions to ensure that the process and controls were in place; and
- reviewed the circular to shareholders in relation to the proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

(e) Conflict of Interest

With the enhancements to conflict of interest ("COI") disclosure for listed companies as mandated by Bursa Securities, the role of Audit Committee is expanded to review and report to the Board, any COI situation together with the measures taken to resolve, eliminate or mitigate such conflicts.

The Audit Committee noted that there was no conflict of interest declared by the Directors and key senior management during the financial year ended 31 December 2024.

This Audit Committee Report has been reviewed and approved by the Board on 17 April 2025.

DIRECTORS' RESPONSIBILITY STATEMENT

ON PREPARATION OF ANNUAL FINANCIAL STATEMENTS

In preparing the annual financial statements of the Group and of the Company, the Directors are collectively responsible to ensure that these financial statements have been prepared to give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and the results and cash flows of the Group and the Company in accordance with applicable approved accounting standards in Malaysia, the provisions of the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

In preparing the financial statements for the financial year ended 31 December 2024 set out on pages 123 to 223 of this Annual Report, the Directors have applied appropriate accounting policies on a consistent basis (except as disclosed in Note 2.2 of the Financial Statements) and made judgments and estimates that are reasonable and prudent. The Board also considers that relevant approved accounting standards have been followed and confirmed that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Group and of the Company and which enable them to ensure that the financial statements comply with the MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Directors have overall responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group to prevent and detect fraud and irregularities.

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DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

Principal activities

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries and the changes in group structure are described in Note 12 to the financial statements.

Results

	Group RM'000	Company RM'000
Net profit for the financial year	<u>38,532</u>	<u>54,134</u>
Profit attributable to:		
Equity holders of the Company	41,611	54,134
Non-controlling interest	<u>(3,079)</u>	<u>-</u>
	<u>38,532</u>	<u>54,134</u>

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the statements of changes in equity.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

Dividends

The amount of dividends paid by the Company since 31 December 2023 were as follows:

	RM'000
In respect of the financial year ended 31 December 2024	
Interim single-tier cash dividend of 2.7 sen on 1,109,066,500 [#] ordinary shares, declared on 18 April 2024 and paid on 28 May 2024	<u>29,945</u>

[#] Dividends were distributed to the holders of ordinary shares of the Company in issue as at 13 May 2024 (being the entitlement date), net of 62,649,500 treasury shares.

DIRECTORS' REPORT

Dividends (cont'd.)

On 17 April 2025, the Board of Directors has declared a single-tier dividend of 2.7 sen per ordinary share on 1,109,066,500[^] ordinary shares with voting rights.

[^] Number of shares is net of 62,649,500 treasury shares.

The entitlement date has been fixed on 13 May 2025 and payable on 27 May 2025.

These dividends will be accounted for in the equity as an appropriation of retained profits in the financial year ending 31 December 2025.

The Board of Directors do not propose any final dividend for the financial year ended 31 December 2024.

Directors

The names of the Directors of the Company in office since the beginning of the financial year to the date of this report are:

Datuk Wira Farhash Wafa Salvador
Dato' Richard Alexander John Curtis
Puan Sri Datuk Seri Rohani Parkash Binti Abdullah
Chan Kien Sing
Moyra Binti Ibrahim
Tan U-Ming*
Tsai, Tzung-Han
Wong Wai Keong*
Muhammad Lukman Bin Musa @ Hussain (Resigned on 1 November 2024)

* These Directors are also directors of the Company's subsidiaries.

In accordance with Article 99 of the Company's Constitution, the following Directors will retire at the forthcoming Annual General Meeting, and being eligible, offered themselves for re-election:

Dato' Richard Alexander John Curtis
Chan Kien Sing
Tsai, Tzung-Han

DIRECTORS' REPORT

Directors (cont'd.)

The names of the Directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including those Directors listed above) are:

Tan Sri Dato' Seri Vincent Tan Chee Yioun

Tan Sri Mohd Annuar Bin Zaini

Aaron Ng Wei Ee

Chang, Chien-Tai

Derek Chin Chee Seng

Tengku Muzzammil Bin Tengku Makram

Ng Ming Kiat

Ma, Wen-Hsien

(Appointed on 18 November 2024)

Christopher Michael Lower

(Resigned on 18 November 2024)

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company or its related corporations as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 31(b) to the financial statements.

The directors' benefit are as follows:

	Group RM'000	Company RM'000
Directors' remuneration:		
Salaries, allowance and other emoluments	3,130	59
Fees	410	410
Bonus	974	-
Estimated money value of benefits-in-kind	63	-
Total directors' remuneration, including benefits-in-kind	<u>4,577</u>	<u>469</u>

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and officers of the Group and of the Company are RM30,000,000 and RM40,738, respectively.

DIRECTORS' REPORT

Directors' interests

According to the register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in shares in the Company or its related corporations during the financial year were as follows:

Name of director	← Number of ordinary shares →			
	1.1.2024	Acquired	Sold	31.12.2024
<i>Direct interest:</i>				
<i>Ordinary shares of the Company</i>				
Chan Kien Sing	103,584	-	-	103,584
Tan U-Ming	621,509	-	-	621,509
<i>Indirect interest:</i>				
<i>Ordinary shares of the Company</i>				
Tsai, Tzung-Han	291,369,226	-	-	291,369,226

Other than as disclosed above, the other Directors in office at the end of the financial year had no interest in shares in the Company or its related corporations during the financial year.

Treasury shares

There were no issuance of equity securities, share buy-back, share cancellations and resale of treasury shares during the current financial year ended 31 December 2024.

Details of treasury shares purchased in prior years are disclosed in Note 20 to the financial statements. As at 31 December 2024, the issued ordinary share capital of the Company with voting rights was 1,109,066,500.

DIRECTORS' REPORT

Other statutory information

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
 - (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT

Other statutory information (cont'd.)

(f) In the opinion of the Directors:

- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet its obligations when they fall due except as disclosed in Note 2.1 to the financial statements; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

Auditors

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

	Group RM'000	Company RM'000
Ernst & Young PLT	763	167
Other auditors	76	-
	<u>839</u>	<u>167</u>

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit for an unspecified amount. No payment has been made to indemnify Ernst & Young PLT for the financial year ended 31 December 2024.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 25 April 2025.

Tan U-Ming

Wong Wai Keong

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tan U-Ming and Wong Wai Keong, being two of the Directors of 7-Eleven Malaysia Holdings Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 123 to 223 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 25 April 2025.

Tan U-Ming

Wong Wai Keong

Statutory declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Aaron Ng Wei Ee (MIA membership number: 49692), being the officer primarily responsible for the financial management of 7-Eleven Malaysia Holdings Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 123 to 223 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed Aaron Ng Wei Ee at
Kuala Lumpur in the Federal Territory
on 25 April 2025.

Aaron Ng Wei Ee

Before me,

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 7-ELEVEN MALAYSIA HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of 7-Eleven Malaysia Holdings Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 123 to 223.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there is no key audit matter to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF 7-ELEVEN MALAYSIA HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to the matters described below. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Recognition of rebates and incentives income from vendors

(Refer to Notes 2.17(g), 3(b)(i) and 16 to the financial statements)

The Group receives various types of allowance in the form of rebates and incentives from its vendors in connection with the purchase of goods from those vendors. These allowances contribute significantly to the Group's profit before tax. During the financial year ended 31 December 2024, the Group has recognised rebates and incentives income amounting to RM355,263,763 of which majority has been received and the balance of RM72,018,000 is receivable as at 31 December 2024. Recognition of rebates and incentives income required the Group's fulfilment of its obligations under contractual arrangement with vendors. We focused on this area because the recognition of rebates and incentives income requires, to some extent, judgement from management concerning the nature and level of fulfilment of the Group's obligations under the vendor agreements.

Our procedures to address this area of focus include, amongst others, the following:

- understand and tested management's controls around the completeness and accuracy of the source data required for the computation of these rebates and incentives;
- involved our information technology specialists to test the operating effectiveness of automated controls over the processing and recording of rebates and incentives as well as assessed the accuracy of data interface between the Rebate system and the general ledger;
- reviewed and assessed the appropriateness of management's computation of rebates and incentives income for unsold inventories for financial year ended 31 December 2024;
- reviewed and assessed the appropriateness of management's assessment on each type of rebates and incentives received from vendors i.e. whether they are distinct services and separate performance obligation as well as the classification in the Consolidated Statement of Comprehensive Income in accordance to MFRS 15; and
- reviewed and agreed the rebates and incentives during the year to contractual evidence on a sample basis. For the rebates and incentives receivable as at 31 December 2024, amounts are either recalculated by us based on contractual terms confirmed by vendors or reconciled to post year-end settlements with vendors.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF 7-ELEVEN MALAYSIA HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Key audit matters (cont'd.)

Revenue from contracts with customers and cost of sales

(Refer to Notes 2.17 and 4 to the financial statements)

The Group relies heavily on information technology systems for the processing and recording of revenue from sale of merchandise goods and the related cost of sales. The information technology systems process large volumes of data which consists of individually low value transactions. Accordingly, we identified the recognition of revenue and cost of sales to be areas of audit focus as the magnitude and the high volume of transactions may give rise to a higher risk of material misstatement relating to timing and the amount of revenue and cost of sales recognised.

Our procedures to address this area of focus include, amongst others, the following:

- obtained an understanding of the relevant internal controls over the revenue and cost of sales recognition process and tested the operating effectiveness of these controls;
- involved our information technology specialists to test the operating effectiveness of automated controls over the processing and recording of revenue and cost of sales;
- assessed the accuracy of data interface between the Point of Sales system and the general ledger, including the updating of approved product price changes in the system;
- assessed the information technology-dependent manual ("ITDM") and manual controls in place to ensure the completeness and accuracy of revenue and cost of sales recognised;
- performed detailed review of Information Produced by Entity ("IPE") for revenue by performing procedures to corroborate the occurrence of revenue by tracing samples of cash receipts to the settlement reports from financial institutions;
- performed substantive procedures which includes the use of data analytics to perform correlation analysis between revenue, trade receivables and cash and bank balances;
- performed cut-off procedures to determine if revenue is recorded in the correct accounting period; and
- performed cash anchor testing procedures to determine if cash received relates to revenue.

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Group's 2024 Annual Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF 7-ELEVEN MALAYSIA HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Information other than the financial statements and auditors' report thereon (cont'd.)

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the financial statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF 7-ELEVEN MALAYSIA HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF 7-ELEVEN MALAYSIA HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: (cont'd.)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation; and
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF 7-ELEVEN MALAYSIA HOLDINGS BERHAD
(INCORPORATED IN MALAYSIA)

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 12 to the financial statements.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Hoh Yoon Hoong
No. 02990/08/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
25 April 2025

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	4	2,925,548	2,783,552	83,062	83,410
Cost of sales	17	(2,022,809)	(1,917,513)	-	-
Gross profit		902,739	866,039	83,062	83,410
Other operating income		192,628	161,481	3	-
Selling and distribution expenses		(801,995)	(736,984)	-	-
Administrative and other operating expenses		(151,004)	(196,755)	(1,823)	(2,748)
Profit from operations	5	142,368	93,781	81,242	80,662
Finance costs	7	(66,040)	(65,837)	(26,905)	(26,450)
Share of results of joint ventures	15	(2,527)	(6,373)	-	-
Profit before tax		73,801	21,571	54,337	54,212
Income tax expense	8	(35,269)	(36,031)	(203)	(896)
Profit/(loss) after tax		38,532	(14,460)	54,134	53,316
Discontinued operation					
Profit after tax for the year from discontinued operation	39	-	284,578	-	-
Profit for the year		38,532	270,118	54,134	53,316
Other comprehensive income not to be reclassified to profit or loss in subsequent year:					
Fair value reserve of financial assets at FVTOCI					
- continuing operations	13	(28,447)	21,186	(4,651)	-
Revaluation of land and buildings	9, 10				
- continuing operations		1,176	3,753	-	-
- discontinued operation		-	2,022	-	-
Taxation	27				
- continuing operations		(216)	(467)	-	-
- discontinued operation		-	(175)	-	-
Total other comprehensive (loss)/income (net of taxation)		(27,487)	26,319	(4,651)	-
Total comprehensive income for the financial year		11,045	296,437	49,483	53,316

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Profit after tax attributable to:					
Equity holders of the Company					
- continuing operations		41,611	(12,510)	54,134	53,316
- discontinued operation		-	274,276	-	-
Non-controlling interest					
- continuing operations		(3,079)	(1,950)	-	-
- discontinued operation		-	10,302	-	-
		<u>38,532</u>	<u>270,118</u>	<u>54,134</u>	<u>53,316</u>
Total comprehensive income attributable to:					
Equity holders of the Company					
- continuing operations		14,124	11,962	49,483	53,316
- discontinued operation		-	276,123	-	-
Non-controlling interest					
- continuing operations		(3,079)	(1,950)	-	-
- discontinued operation		-	10,302	-	-
		<u>11,045</u>	<u>296,437</u>	<u>49,483</u>	<u>53,316</u>
Basic/diluted earnings per share (sen)					
	38	<u>3.75</u>	<u>23.59</u>		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		Group	
	Note	2024	2023
		RM'000	RM'000
Assets			
Non-current assets			
Property, plant and equipment	9	568,290	438,180
Right-of-use assets	10(a)	744,639	625,433
Intangible assets	11	6,719	11,194
Other investments	13	157,526	94,664
Investment in associates	14	3,287	-
Investment in joint ventures	15	-	-
Other receivables	16	31,916	42,057
Deferred tax assets	27	10,291	14,616
		<u>1,522,668</u>	<u>1,226,144</u>
Current assets			
Inventories	17	420,030	356,157
Other receivables	16	231,634	124,923
Other investments	13	43,330	9,512
Tax recoverable		20,417	15,065
Cash and bank balances	18	217,947	799,474
		<u>933,358</u>	<u>1,305,131</u>
Total assets		<u>2,456,026</u>	<u>2,531,275</u>
Equity and liabilities			
Equity attributable to equity holders of the Company			
Share capital	19	1,410,881	1,410,881
Treasury shares	20	(99,108)	(99,108)
Capital reorganisation deficit	21	(1,343,248)	(1,343,248)
Fair value adjustment reserve	22	30,077	58,524
Assets revaluation reserve	23	47,311	46,351
Retained profits	24	298,552	286,886
		<u>344,465</u>	<u>360,286</u>
Non-controlling interest		<u>(2,065)</u>	<u>(2,990)</u>
Total equity		<u>342,400</u>	<u>357,296</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group	
		2024	2023
	Note	RM'000	RM'000
Non-current liabilities			
Provisions	25	15,197	14,832
Borrowings	26	349,687	449,688
Lease liabilities	10(b)	677,846	568,539
Contract liabilities	29	9,793	11,336
Deferred tax liabilities	27	5,258	4,811
		1,057,781	1,049,206
Current liabilities			
Provisions	25	1,445	1,418
Borrowings	26	215,895	287,710
Lease liabilities	10(b)	113,816	95,730
Trade payables	28	494,428	498,418
Other payables	29	220,735	229,874
Contract liabilities	29	8,593	10,433
Tax payable		933	1,190
		1,055,845	1,124,773
Total liabilities		2,113,626	2,173,979
Total equity and liabilities		2,456,026	2,531,275

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		Company	
	Note	2024 RM'000	2023 RM'000
Assets			
Non-current assets			
Investments in subsidiary companies	12	1,408,545	1,402,539
Other investment	13	66	4,717
		<u>1,408,611</u>	<u>1,407,256</u>
Current assets			
Other receivables	16	416,923	548,834
Tax recoverable		200	-
Cash and bank balances	18	155	146
		<u>417,278</u>	<u>548,980</u>
Total assets		<u>1,825,889</u>	<u>1,956,236</u>
Equity and liability			
Equity attributable to equity holders of the Company			
Share capital	19	1,410,881	1,410,881
Treasury shares	20	(99,108)	(99,108)
Fair value adjustment reserve	22	(4,651)	-
Retained profits	24	68,918	44,729
Total equity		<u>1,376,040</u>	<u>1,356,502</u>
Non-current liability			
Borrowings, representing total non-current liability	26	<u>349,687</u>	<u>449,688</u>
Current liability			
Borrowings	26	100,000	149,810
Tax payable		-	128
Other payables	29	162	108
		<u>100,162</u>	<u>150,046</u>
Total liabilities		<u>449,849</u>	<u>599,734</u>
Total equity and liability		<u>1,825,889</u>	<u>1,956,236</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Attributable to equity holders of the Company						
	Non-distributable			Distributable			
	Share capital RM'000 (Note 19)	Treasury shares RM'000 (Note 20)	Capital re-organisation deficit RM'000 (Note 21)	Fair value adjustment reserve RM'000 (Note 22)	Assets revaluation reserve RM'000 (Note 23)	Retained profits RM'000 (Note 24)	Total equity RM'000
Group							
At 1 January 2024	1,410,881	(99,108)	(1,343,248)	58,524	46,351	286,886	357,296
Additional subscription of shares by non-controlling interests	-	-	-	-	-	-	4,004
Total comprehensive income for the year	-	-	-	(28,447)	960	41,611	11,045
Transaction with owners:							
Dividends on ordinary shares (Note 30), representing total transaction with owners	-	-	-	-	-	(29,945)	(29,945)
At 31 December 2024	1,410,881	(99,108)	(1,343,248)	30,077	47,311	298,552	342,400

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Attributable to equity holders of the Company						
	Non-distributable			Distributable			
	Share capital RM'000 (Note 19)	Treasury shares RM'000 (Note 20)	Capital re-organisation deficit RM'000 (Note 21)	Fair value adjustment reserve RM'000 (Note 22)	Assets revaluation reserve RM'000 (Note 23)	Retained profits RM'000 (Note 24)	Total equity RM'000
Group							
At 1 January 2023	1,485,138	(194,302)	(1,343,248)	37,338	45,599	103,636	230,241
Total comprehensive income for the year	-	-	-	21,186	5,133	261,766	296,437
Transaction with owners:							
Acquisition of subsidiaries	-	-	-	-	-	-	402
Acquisition of joint venture from non-controlling interests	-	-	-	-	-	-	(2,610)
Acquisition of treasury shares	-	(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)	86
Disposal of subsidiary	-	-	-	-	(4,381)	4,381	(83,664)
Dividends on ordinary shares (Note 30), representing total transaction with owners	-	-	-	-	-	(59,943)	(59,943)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(21,693)
At 31 December 2023	1,410,881	(99,108)	(1,343,248)	58,524	46,351	286,886	357,296

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Attributable to equity holders of the Company				
	Non-distributable		Fair value adjustment		Distributable
Company	Share capital RM'000 (Note 19)	Treasury shares RM'000 (Note 20)	reserve RM'000 (Note 22)	Retained profits RM'000 (Note 24)	Total equity RM'000
At 1 January 2024	1,410,881	(99,108)	-	44,729	1,356,502
Total comprehensive income for the year	-	-	(4,651)	54,134	49,483
Transaction with owners					
Dividends on ordinary shares (Note 30), representing total transaction with owners	-	-	-	(29,945)	(29,945)
At 31 December 2024	1,410,881	(99,108)	(4,651)	68,918	1,376,040
At 1 January 2023	1,485,138	(194,302)	-	74,253	1,365,089
Total comprehensive income for the year	-	-	-	53,316	53,316
Transaction with owners					
Acquisition of treasury shares	-	(1,960)	-	-	(1,960)
Cancellation of treasury shares	(74,257)	97,154	-	(22,897)	-
Dividends on ordinary shares (Note 30), representing total transaction with owners	-	-	-	(59,943)	(59,943)
At 31 December 2023	1,410,881	(99,108)	-	44,729	1,356,502

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Cash receipts from customers and other receivables	3,058,747	4,358,254	21	708
Cash paid to suppliers and employees	(2,881,779)	(3,984,872)	(1,596)	(3,819)
Advances from intercompanies	-	-	211,616	104,342
Repayment to intercompanies	-	-	(79,707)	(91,629)
Cash generated from operations	176,968	373,382	130,334	9,602
Interest paid	(28,767)	(34,040)	(26,905)	(26,450)
Tax paid	(36,322)	(83,720)	(531)	(643)
Tax refund	-	1,387	-	-
Net cash generated from/(used in) operating activities	111,879	257,009	102,898	(17,491)
Cash flows from investing activities				
Purchase of property, plant and equipment	(230,543)	(199,968)	-	-
Acquisitions of intangible assets	-	(8,817)	-	-
Proceeds from disposal of property, plant and equipment and investment property	680	356	-	-
Proceeds from disposal of subsidiary (Placements)/withdrawal with broker under a Discretionary Investment Fund, net	(113,545)	68,699	-	-
Purchase of other investment	(14,656)	(4,717)	-	(4,717)
Investment in associate (Note 14)	(3,287)	-	-	-
Investment in joint ventures (Note 15)	(5,131)	(6,147)	-	-
Acquisition of subsidiary companies	-	(2,678)	(6,006)	-
Changes in subsidiaries' ownership interests that do not result in a loss of control	-	86	-	-
Additional subscription of shares by non-controlling interest	4,004	-	-	-
Dividend income received	1,588	450	60,000	60,000
Interest received	9,890	5,588	23,062	23,410
Net cash (used in)/generated from investing activities	(351,000)	423,460	77,056	78,693

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities				
Dividends paid on ordinary shares	(29,945)	(59,943)	(29,945)	(59,943)
Dividends paid to non-controlling interests	-	(21,693)	-	-
Acquisition of treasury shares	-	(1,960)	-	(1,960)
Proceeds from banker's acceptances	253,395	234,300	-	-
Repayment of banker's acceptances	(275,400)	(161,900)	-	-
Proceeds from revolving credit	-	17,000	-	-
Repayment of revolving credit	-	(1,000)	-	-
Repayment of term loans	-	(12,232)	-	-
Repayment of medium term notes	(150,000)	-	(150,000)	-
Payment of principal and interest of lease liabilities	(140,285)	(170,425)	-	-
Repayment of hire purchase and finance lease liabilities	(171)	(265)	-	-
Net cash used in financing activities	<u>(342,406)</u>	<u>(178,118)</u>	<u>(179,945)</u>	<u>(61,903)</u>
Net (decrease)/increase in cash and cash equivalents	(581,527)	502,351	9	(701)
Cash and cash equivalents at 1 January	<u>799,474</u>	<u>297,123</u>	<u>146</u>	<u>847</u>
Cash and cash equivalents at 31 December (Note 18)	<u>217,947</u>	<u>799,474</u>	<u>155</u>	<u>146</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

1. Corporate information

7-Eleven Malaysia Holdings Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at 12th Floor, Menara Symphony, No.5, Jalan Prof. Khoo Kay Kim, Seksyen 13, Petaling Jaya, 46200 Selangor Darul Ehsan. The principal place of business of the Company is located at 08-66, Level 8, Berjaya Times Square, No.1, Jalan Imbi, 55100 Kuala Lumpur, Wilayah Persekutuan.

The principal activity of the Company is investment holding.

The principal activities of the subsidiaries and the changes in group structure are described in Note 12 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 April 2025.

2. Summary of material accounting policies

2.1 Basis of preparation

During the financial year, the Group's current liabilities exceed its current assets.

In view thereof and barring any unforeseen circumstances, the Directors are of the opinion that the Group will be able to meet its liabilities as and when they fall due as there are sufficient unutilised borrowing facilities as at year end; coupled with the ability of the Group to generate net positive operating cash inflow historically.

In view of the foregoing, the Directors consider that it is appropriate to prepare the financial statements of the Group on a going concern basis given that the Directors are confident that the Group will be able to meet their obligations, as and when they fall due in the next 12 months from the date of the Directors' Report.

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.1 Basis of preparation (cont'd.)

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except on 1 January 2024, the Group and of the Company adopted the following new and amendments to MFRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 January 2024.

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

The adoption of the above amendments did not have any significant financial impact to the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.3 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

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

The adoption of the above standards and interpretations are not expected to have a material impact on the financial statements in the period of application.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.4 Basis of consolidation

Business combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not measured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with MFRS 9. Other contingent consideration that is not within the scope of MFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

Acquisition of non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.4 Basis of consolidation (cont'd.)

Acquisition of non-controlling interests (cont'd.)

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.5 Associate and joint ventures

The Group's investment in an associate is accounted for using the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of results of associates and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of results of an associate and a joint venture' in the statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.5 Associate and joint ventures (cont'd.)

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.6 Intangible assets

Computer software

Computer software acquired separately are measured initially at cost. Following initial acquisition, computer software are measured at cost less any accumulated amortisation and accumulated impairment losses.

Computer software-in-development are not depreciated as these assets are not available for use. Computer software are amortised on a straight-line basis over the estimated useful lives of 10 years when the assets are available for use. Computer software are assessed for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodies in the assets is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on computer software is recognised in profit or loss.

Gain or loss from derecognition of computer software are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the assets are derecognised.

2.7 Property, plant and equipment and depreciation

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress are also not depreciated as these assets are not available for use. Depreciation of other property, plant and equipment is provided for on a straight-line basis over its estimated useful lives.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Buildings	50 years or the duration of the lease, whichever is shorter
Long-term leasehold land	The duration of the lease of 99 years
Computer equipment	5 to 10 years
Other equipment	7 years

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.7 Property, plant and equipment and depreciation (cont'd.)

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows: (cont'd.)

Motor vehicles	5 years
Furniture and fittings and renovation	10 years or the duration of the lease, whichever is shorter

2.8 Leases

(a) As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Property	1 to 15 years
Leasehold properties	50 to 99 years

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.8 Leases (cont'd.)

(a) As lessee (cont'd.)

(ii) Lease liabilities (cont'd.)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments such as changes to future payments resulting from a change in an index or rate used to determine such lease payments or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in financial liabilities in Note 10.

2.9 Financial assets

(a) Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI"), and fair value through profit or loss ("FVTPL").

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

(b) Subsequent measurement

The Group's and the Company's financial assets at amortised cost includes trade and other receivables (excluding prepayments) and cash and bank balances.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.9 Financial assets (cont'd.)

(b) Subsequent measurement (cont'd.)

Financial assets designated at FVTOCI

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVTOCI when they meet the definition of equity under MFRS 132 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVTOCI are not subject to impairment assessment.

The Group has elected to classify irrevocably its quoted equity investments under this category.

Financial assets at FVTPL

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes all other instruments which the Group had not irrevocably elected to classify at FVTOCI.

(c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- (i) The rights to receive cash flows from the asset have expired; or
- (ii) The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (a) the Group and the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.9 Financial assets (cont'd.)

(c) Derecognition (cont'd.)

When the Group and the Company have transferred their rights to receive cash flows from an asset or has entered into a pass-through arrangement, the Group and the Company evaluate if, and to what extent, the Group and the Company have retained the risks and rewards of ownership. When the Group and the Company have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

2.10 Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group and the Company consider factors if a financial asset in default such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments that indicate that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.11 Inventories

Inventories comprise trading goods and consumables and are stated at the lower of cost (determined on the weighted average basis) and net realisable value. Cost comprises the invoiced value of the inventories and incidental expenses. Net realisable value represents the estimated selling price less estimated costs necessary to make the sale.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks and demand deposits at call which are subject to an insignificant risk of changes in value. Short term funds include money market instruments held for investment purposes, which does not form part of cash and cash equivalents.

For the purpose of the statements of cash flows, cash and cash equivalents consist of unrestricted cash and bank balances, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Group's and of the Company's cash management.

2.13 Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, and loans and borrowings including bank overdrafts. The Group measures its financial liabilities as loans and borrowings.

(b) Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective-interest-rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.13 Financial liabilities (cont'd.)

(c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.14 Employee benefits

(a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the period in which the associated services are rendered by employees of the Group and the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plans

As required by law, the Group makes contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in profit or loss as incurred.

2.15 Foreign currency

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiary companies and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.15 Foreign currency (cont'd.)

(b) Foreign currency transactions (cont'd.)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting date are recognised in profit or loss.

2.16 Fair value measurement

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.17 Revenue from contracts with customers

Revenue from contracts with customers and other operating income is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services for provision of in-store services, because it typically controls the goods or services before transferring them to the customer.

(a) Sale of goods

Revenue from sale of general merchandise is recognised at the point in time when control of the asset is transferred to the customer. These are in cash considerations.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. customer loyalty points).

(b) Provision of in-store services income

The Group acts as an agent in providing in-store services to its customers.

When another party is involved in providing services to its customers, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. When the Group's role is only to arrange for another entity to provide the services, then the Group is an agent and will need to record revenue at the net amount that it retains for its agency services.

(c) Rental income

Income from the rental of property is recognised on an accrual basis in accordance with the terms of the agreements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.17 Revenue from contracts with customers (cont'd.)

(d) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(e) Franchise income

Initial franchise fee

Initial franchise fee is recognised on a straight-line basis over the term of the franchise agreement. The transaction price for franchise agreement is discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component.

(f) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(g) Rebates and incentives income

The Group receives incentives and rebates from suppliers for various programs, primarily volume incentives, prompt payment discounts and central distribution centre rebates ("CDC rebates"). Rebates are recognised to statements of comprehensive income when the Group achieves the volume-purchase targets, the performance obligations for central distribution arrangement, and promotional programs have been fulfilled by the Group in accordance with the terms as stipulated in the trade agreements with vendors. These rebates and discounts are recognised as deduction against costs of goods sold when the goods are sold and for the CDC rebates only, when goods are delivered to the stores. Rebates and discounts for unsold goods and CDC rebates in respect of goods not delivered to the stores yet, are deducted against inventories and shall be recognised to the statements of comprehensive income when the goods are subsequently sold or delivered to respective stores.

Other incentives mainly comprised in-store displays and promotions and advertisements for specific products. Incentives are recognised to the statements of comprehensive income when the performance obligations have been fulfilled by the Group in accordance with the terms as stipulated in the agreements with vendors. These incentives are recognised as other operating income in the statements of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.17 Revenue from contracts with customers (cont'd.)

(h) Customer loyalty programme

The Group's loyalty programme allows the customers to collect award credits when specified sales terms were fulfilled by the customers. The customers can then redeem the gifts once the specified number of award credits have been collected.

The Group accounts for the award credits as separately identifiable component of the initial sales transactions. The fair value of the consideration received or receivable in respect of the initial sales is allocated between the fair value of the award credits and the other components of the sale.

The consideration allocated to the award credits is deferred and subsequently recognised as revenue when the award credits are redeemed. The deferral is treated as a deduction from revenue. The fair value of the award credits is determined with reference to the fair value of the gift to the customer and considers the redemption rate for the award credits.

2.18 Contract balances

(a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

The Group recognises contract assets for rebates and incentives income receivable.

(b) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

2.19 Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in equity.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Summary of material accounting policies (cont'd.)

2.20 Discontinued operations

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented as a single amount in the statement of comprehensive income.

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements in accordance with MFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Critical judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Determining the lease term of contracts with renewal and termination options as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate such as the construction of significant leasehold improvements or significant customisation to the leased asset.

The Group included the renewal period as part of the lease term for leases with shorter non-cancellable period such as three to five years. The Group typically exercise its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. Significant accounting judgements and estimates (cont'd.)

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

(i) Recognition of incentives and rebates

The Group receives rebates and incentives from suppliers for various programs, primarily volume incentives, display and promotional incentives, prompt payment discounts and warehouse rebates.

Certain incentives and rebates recognised in profit or loss were estimated based on terms and rates in trade agreements entered into with suppliers. Actual amounts received from suppliers could differ from the amounts initially estimated. As at the reporting date, the Group has recognised incentives and rebates receivable of RM72,018,000 (2023: RM65,310,000).

(ii) Revaluation of property, plant and equipment

The Group carries its freehold and leasehold land and buildings at fair value, with changes in fair value being recognised in other comprehensive income. The Group engaged an independent valuation specialist to assess fair value as at 31 December 2024 and 31 December 2023.

The freehold and leasehold land and buildings were valued by reference to market-based evidence, using comparable price adjusted for specific market factors such as nature, location and condition of the properties.

Fair value adjustments and the key assumptions used to determine the fair value of the properties and sensitivity analysis are provided in Note 9 for freehold properties and Note 10 for leasehold properties.

(iii) Estimating the incremental borrowing rate to measure lease liabilities

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs such as market interest rates when available and is required to make certain entity-specific estimates.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. Significant accounting judgements and estimates (cont'd.)

(b) Key sources of estimation uncertainty (cont'd.)

(iv) Impairment of property, plant and equipment and right-of-use ("ROU") assets

During the financial year, the Group recognised impairment losses in respect of certain subsidiary companies' property, plant and equipment and ROU assets. The Group carried out the impairment test based on a variety of estimation including the value-in-use ("VIU") of the cash generating units ("CGU") to which the property, plant and equipment and ROU assets are allocated. Estimating the VIU requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the impairment losses recognised are disclosed in Notes 9 and 10.

4. Revenue from contracts with customers

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Type of goods or services				
Sale of merchandise goods	2,857,590	2,708,589	-	-
Provision of in-store services				
- Commission income	65,256	72,461	-	-
Dividend income from				
a subsidiary	-	-	60,000	60,000
Franchise income	2,264	2,056	-	-
Interest income	-	-	23,062	23,410
Rental income	438	446	-	-
	<u>2,925,548</u>	<u>2,783,552</u>	<u>83,062</u>	<u>83,410</u>
Timing of revenue recognition				
Goods or services				
- transferred at a point in time	2,922,846	2,781,050	60,000	60,000
- transferred over time	2,702	2,502	23,062	23,410
	<u>2,925,548</u>	<u>2,783,552</u>	<u>83,062</u>	<u>83,410</u>

NOTES TO THE FINANCIAL STATEMENTS

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5. Profit from operations

Profit from operations is arrived at after charging:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration:				
- Statutory audit				
- Ernst & Young PLT				
- continuing operations	686	1,116	149	126
- Other auditors				
- continuing operations	76	32	-	-
- Non-audit related services				
- Ernst & Young PLT				
- continuing operations	77	564	18	17
Depreciation of property, plant and equipment (Note 9)				
- continuing operations	92,381	71,255	-	-
- discontinued operation	-	8,807	-	-
Amortisation of right-of-use assets (Note 10)				
- continuing operations	110,290	106,135	-	-
- discontinued operation	-	34,645	-	-
Amortisation of intangible assets (Note 11)				
- continuing operations	4,475	4,474	-	-
- discontinued operation	-	4,357	-	-
Property, plant and equipment written off (Note 9)				
- continuing operations	5,784	969	-	-
- discontinued operation	-	2,830	-	-
Fair value loss on investment properties				
- discontinued operation	-	1,265	-	-
Impairment loss on:				
- Investment in joint venture (Note 15)				
- continuing operations	2,604	9,439	-	-
- Property, plant and equipment (Note 9)				
- continuing operations	358	387	-	-
- Right-of-use assets (Note 10)				
- continuing operations	2,642	2,613	-	-
Reversal of impairment loss on right-of-use assets (Note 10)				
- discontinued operation	-	914	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

6. Employee benefits expense

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and other emoluments	322,860	357,268	469	458
Pension costs - defined contribution plans	35,695	34,913	-	-
Social security costs and employees insurance	6,578	6,290	-	-
Other staff benefits	16,225	14,520	-	-
	<u>381,358</u>	<u>412,991</u>	<u>469</u>	<u>458</u>

Included in the employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM4,577,000 (2023: RM5,050,000) and RM469,000 (2023: RM986,000), respectively.

The Directors' remuneration paid or payable from the Company and its subsidiaries relating to its continuing operations during the financial year ended 31 December 2024 and 31 December 2023 categorised into appropriate components are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Salaries, allowance and other emoluments	2,705	2,272	59	46
Fees	410	455	410	455
Bonus	974	1,783	-	448
Defined contribution plan	425	423	-	-
Estimated money value of benefits-in-kind	63	117	-	37
	<u>4,577</u>	<u>5,050</u>	<u>469</u>	<u>986</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

7. Finance costs

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest expense on:				
Lease liabilities	37,273	34,715	-	-
Bankers' acceptances	2,173	1,740	-	-
Revolving credit	3,042	2,932	-	-
Medium term notes	23,552	26,450	23,552	26,450
Amount due to a subsidiary	-	-	3,353	-
	<u>66,040</u>	<u>65,837</u>	<u>26,905</u>	<u>26,450</u>

8. Income tax expense

(a) Income statements

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Income tax:				
Current year	32,332	30,817	540	800
(Over)/under provision in prior year	(1,619)	8,721	(337)	96
	<u>30,713</u>	<u>39,538</u>	<u>203</u>	<u>896</u>
Deferred tax (Note 27):				
Relating to origination and reversal of temporary differences	4,175	(539)	-	-
Under/(over) provision in prior year	381	(2,968)	-	-
	<u>4,556</u>	<u>(3,507)</u>	<u>-</u>	<u>-</u>
	<u>35,269</u>	<u>36,031</u>	<u>203</u>	<u>896</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the year.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

8. Income tax expense (cont'd.)

(a) Income statements (cont'd.)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:

Continuing operations	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	73,801	21,571	54,337	54,212
Taxation at Malaysian statutory tax rate of 24% (2023: 24%)	17,712	5,177	13,041	13,011
Expenses not deductible under tax legislation	13,751	21,223	1,899	2,189
Income not subject to tax	-	(108)	(14,400)	(14,400)
Effect of share of results of joint ventures	606	1,530	-	-
Effect of realised gain from other investment designated as FVTOCI	4,438	2,456	-	-
(Over)/under provision of income tax in prior year	(1,619)	8,721	(337)	96
Under/(over) provision of deferred tax in prior year	381	(2,968)	-	-
Tax expense for the year	35,269	36,031	203	896

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

8. Income tax expense (cont'd.)

(a) Income statements (cont'd.)

	Group 2023 RM'000
Discontinued operations	
Income tax:	
Current year	12,558
Under provision in prior year	367
	<u>12,925</u>
 Deferred tax (Note 27)	
Relating to origination and reversal of temporary differences	492
Over provision in prior year	(775)
	<u>(283)</u>
	<u>12,642</u>

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective tax rate of the Group is as follows:

	Group 2023 RM'000
Discontinued operations	
Profit before tax	<u>297,220</u>
Taxation at Malaysian statutory tax rate of 24%	71,333
Expenses not deductible under tax legislation	3,912
Income not subject to tax	(63,260)
Effect of income subject to real property gain tax	250
Utilisation of previously unrecognised tax loss	(6)
Utilisation of previously unrecognised capital allowances	135
Deferred tax assets not recognised during the financial year	686
Under provision of prior year tax	367
Over provision of deferred tax in prior year	(775)
Tax expense for the year	<u>12,642</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

8. Income tax expense (cont'd.)

(b) Other comprehensive income

	Group	
	2024	2023
	RM'000	RM'000
Deferred tax related to item recognised in other comprehensive income during the year:		
Deferred tax liability recognised in respect of net gain on revaluation of land and buildings	216	642

NOTES TO THE FINANCIAL STATEMENTS

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9. Property, plant and equipment

Group	At valuation		At cost		Total RM'000
	Land and buildings* RM'000	Furniture, fittings, computer equipment and other equipment RM'000	Motor vehicles RM'000	Renovations RM'000	
At 31 December 2024					
At 1 January 2024	85,959	760,499	1,647	267,668	1,115,773
Additions	-	173,808	903	55,832	230,543
Disposals	-	(15,240)	(441)	(609)	(16,290)
Revaluation adjustment recognised in other comprehensive income (Note 9 (c))	795	-	-	-	795
Transfer [^]	(265)	-	-	-	(265)
Write-offs	-	(18,138)	-	(18,662)	(36,800)
At 31 December 2024	86,489	900,929	2,109	304,229	1,293,756

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

9. Property, plant and equipment (cont'd.)

	At valuation	At cost		Total
		Furniture, fittings, computer equipment and other equipment	Motor vehicles	
	Land and buildings* RM'000	RM'000	RM'000	RM'000
Group (cont'd.)				
Accumulated depreciation and impairment losses				
At 1 January 2024	117	503,818	1,103	677,593
Depreciation charge for the year (Note 5)	445	71,407	300	92,381
Disposals	-	(12,820)	(428)	(13,585)
Impairment losses (Note 5)	-	-	358	358
Transfer [^]	(265)	-	-	(265)
Write-offs	-	(16,854)	-	(16,854)
At 31 December 2024	297	545,551	975	725,466
Net carrying amount				
At 31 December 2024	86,192	355,378	1,134	568,290

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

9. Property, plant and equipment (cont'd.)

Group	At valuation		At cost		Total
	Land and buildings* RM'000	Asset-in-progress RM'000	Furniture, fittings, computer equipment and other equipment RM'000	Motor vehicles RM'000	Renovations RM'000
At 31 December 2023					
At 1 January 2023	98,696	1,750	648,231	1,310	240,199
Additions	575	-	151,892	414	47,087
Disposals	-	-	(5,456)	(153)	(52)
Disposal of subsidiary	(15,351)	(1,750)	(21,872)	299	(11,414)
Revaluation adjustment recognised in other comprehensive income (Note 9 (c))	3,856	-	-	-	-
Transfer [^]	(256)	-	-	-	-
Acquisition of a subsidiary company	-	-	514	40	132
Write-offs	-	-	(13,200)	(263)	(8,284)
Reclassification (to)/from investment properties	(1,561)	-	545	-	-
Reclassification to intangible assets (Note 11)	-	-	(155)	-	-
At 31 December 2023	85,959	-	760,499	1,647	267,668
					1,115,773

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

9. Property, plant and equipment (cont'd.)

	At valuation	At cost	
		Furniture, fittings, computer equipment and other equipment	
	Land and buildings* RM'000	Asset-in-progress RM'000	Motor vehicles RM'000
			Renovations RM'000
			Total RM'000
Group (cont'd.)			
Accumulated depreciation			
At 1 January 2023	489	-	464,456
Depreciation charge for the year (Note 5)	482	-	60,347
Disposals	-	-	(4,238)
Disposal of subsidiary	(598)	-	(4,950)
Impairment losses (Note 5)	-	-	-
Transfer^	(256)	-	-
Write-offs	-	-	(11,699)
Reclassification to intangible assets (Note 11)	-	-	(98)
At 31 December 2023	117	-	503,818
			1,103
			172,555
			677,593
Net carrying amount			
At 31 December 2023	85,842	-	256,681
			544
			95,113
			438,180

[^] Transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

9. Property, plant and equipment (cont'd.)

*Land and buildings

Group	Freehold land RM'000	Buildings RM'000	Total RM'000
At 31 December 2024			
Valuation			
At 1 January 2024	68,670	17,289	85,959
Revaluation adjustment recognised in other comprehensive income (Note 9 (c))	470	325	795
Transfer [^]	-	(265)	(265)
At 31 December 2024	69,140	17,349	86,489
Accumulated depreciation			
At 1 January 2024	-	117	117
Depreciation charge for the year	-	445	445
Transfer [^]	-	(265)	(265)
At 31 December 2024	-	297	297
Net carrying amount			
At 31 December 2024	69,140	17,052	86,192

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

9. Property, plant and equipment (cont'd.)

*Land and buildings (cont'd.)

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group			
At 31 December 2023			
Valuation			
At 1 January 2023	73,333	25,363	98,696
Additions	-	575	575
Disposal of subsidiary	(7,138)	(8,213)	(15,351)
Revaluation adjustment recognised in other comprehensive income (Note 9 (c))	3,455	401	3,856
Transfer [^]	-	(256)	(256)
Reclassification	(980)	(581)	(1,561)
At 31 December 2023	<u>68,670</u>	<u>17,289</u>	<u>85,959</u>
Accumulated depreciation			
At 1 January 2023	-	489	489
Depreciation charge for the year	-	482	482
Disposal of subsidiary	-	(598)	(598)
Transfer [^]	-	(256)	(256)
At 31 December 2023	<u>-</u>	<u>117</u>	<u>117</u>
Net carrying amount			
At 31 December 2023	<u>68,670</u>	<u>17,172</u>	<u>85,842</u>

- (a) Included in property, plant and equipment of the Group are fully depreciated property, plant and equipment which are still in use during the financial year costing RM432,672,502 (2023: RM400,914,229).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

9. Property, plant and equipment (cont'd.)

- (b) During the financial year, the Group acquired property, plant and equipment by the following means:

	Group	
	2024	2023
	RM'000	RM'000
Cash	230,543	199,968

- (c) Management determined that the land and buildings constitutes a separate class of asset under MFRS 13 Fair Value Measurements, based on the nature, characteristics and risks of the properties.

Fair value of the land and buildings was determined using the market comparable method. This means that valuations performed by the valuer are based on active market prices, adjusted for differences in the nature, location or condition of the specific land and buildings. As at the date of revaluations on 31 December 2024, the land and buildings' fair value is based on valuations performed by independent professional valuers specialising in valuing land and buildings of similar nature. A net gain of RM795,000 (2023: RM3,856,000) was recognised in other comprehensive income for the financial year ended 31 December 2024, as a result of these revaluations.

Fair value measurement disclosures for the revalued land and buildings are provided in Note 34.

Significant unobservable valuation input:

	Group	
	2024	2023
	RM	RM
Price per square foot for freehold land and buildings	215 - 4,840	215 - 4,840

Significant increase/(decrease) in estimated price per square foot would result in a significantly higher/(lower) fair value on a linear basis.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

9. Property, plant and equipment (cont'd.)

Reconciliation of carrying amount:

	Group	
	2024	2023
	RM'000	RM'000
Carrying amount and fair value as at 1 January	85,842	98,207
Additions	-	575
Depreciation for the year	(445)	(482)
Disposal of subsidiary	-	(14,753)
Level 3 revaluation gain on revaluation as at 31 December	795	3,856
Reclassification	-	(1,561)
Carrying amount and fair value as at 31 December	<u>86,192</u>	<u>85,842</u>

* The Group changed its accounting policy with respect to the measurement of land and buildings as at 1 January 2017 on a prospective basis. Therefore, the fair value of the land and buildings were not measured at 1 January 2017.

If the properties were measured using the cost model, the carrying amounts would be, as follows:

	Group	
	2024	2023
	RM'000	RM'000
Cost	44,798	44,798
Accumulated depreciation	(3,777)	(2,339)
Net carrying amount	<u>41,021</u>	<u>42,459</u>

(d) Impairment assessment

Impairment losses on property, plant and equipment amounting to RM358,000 (2023: RM387,000) have been recognised during the financial year due to recoverable amounts of property, plant and equipment in the cash generating units ("CGU"), which are determined based on cash flow projections, are lower than their carrying amounts.

The recoverable amount was estimated based on value-in-use ("VIU") and the key assumptions to which the recoverable amount is most sensitive is disclosed below:

Discount rate	10.0%
Sales growth rate	4.4%

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

10. Right-of-use assets and lease liabilities

Group as a Lessee

The Group has lease contracts for various items of plant, property and equipment used in its operations. Leases of property generally have lease terms between 1 and 15 years, while leasehold property generally have lease terms between 50 and 99 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

(a) Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Group	Properties RM'000	Renovations and others RM'000	----- At fair value -----		Total RM'000
			Leasehold properties* RM'000	Investment property RM'000	
At 1 January 2024	600,127	7,928	16,998	380	625,433
Additions	101,579	589	-	-	102,168
Remeasurement	137,621	-	-	-	137,621
Revaluation adjustment recognised in other comprehensive income (Note 10(a)(i))	-	-	391	(10)	381
Disposals	(7,999)	(33)	-	-	(8,032)
Amortisation expense (Note 5)	(109,070)	(810)	(410)	-	(110,290)
Impairment losses (Note 5)	(2,642)	-	-	-	(2,642)
At 31 December 2024	719,616	7,674	16,979	370	744,639

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

10. Right-of-use assets and lease liabilities (cont'd.)

Group as a Lessee (cont'd.)

(a) Right-of-use assets (cont'd.)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the prior year (cont'd.):

Group	Properties RM'000	Renovations and others RM'000	Leasehold properties* RM'000	Investment property RM'000	Total RM'000
At 1 January 2023	629,971	7,974	46,038	380	684,363
Additions	114,554	928	-	-	115,482
Remeasurement	114,136	-	-	-	114,136
Revaluation adjustment recognised in other comprehensive income (Note 10(a)(i))	-	-	1,919	-	1,919
Disposals	(11,089)	(29)	-	-	(11,118)
Disposal of subsidiary (Note 39)	(106,400)	-	(30,411)	-	(136,811)
Derecognition	(4,705)	-	-	-	(4,705)
Amortisation expense (Note 5)	(139,007)	(945)	(828)	-	(140,780)
Impairment losses (Note 5)	(2,613)	-	-	-	(2,613)
Reversal of impairment loss (Note 5)	914	-	-	-	914
Acquisition of a subsidiary company	4,366	-	-	-	4,366
Reclassification from investment properties	-	-	280	-	280
At 31 December 2023	600,127	7,928	16,998	380	625,433

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

10. Right-of-use assets and lease liabilities (cont'd.)

Group as a Lessee (cont'd.)

The Group also has certain leases of equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(a) Right-of-use assets

- (i) Management determined that the land and buildings constitutes a separate class of asset under MFRS 13 Fair Value Measurements, based on the nature, characteristics and risks of the properties.

Fair value of the leasehold properties and investment property were determined using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for differences in the nature, location or condition of the specific properties. As at the date of revaluation on 31 December 2024 and 31 December 2023, the leasehold properties' fair values are based on valuations performed by independent professional valuers specialising in valuing land and buildings of similar nature. A net gain of RM391,000 (2023: RM1,919,000) was recognised in other comprehensive income for the financial year ended 31 December 2024, as a result of these revaluations.

Fair value measurement disclosures for the revalued leasehold properties and investment property are provided in Note 34.

Significant unobservable valuation input:

	Group	
	2024	2023
	RM	RM
Price per square foot for:		
- Leasehold land and buildings	504 - 2,489	325 - 2,489
- Investment property	264	272

Significant increase/(decrease) in estimated price per square foot would result in a significant higher/(lower) fair value.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

10. Right-of-use assets and lease liabilities (cont'd.)

Group as a Lessee (cont'd.)

(a) Right-of-use assets (cont'd.)

(ii) Leasehold properties

Reconciliation of carrying amount:

	Group	
	2024	2023
	RM'000	RM'000
Carrying amount and fair value as at 1 January	16,998	46,038
Depreciation for the year	(410)	(828)
Disposal of subsidiary	-	(30,411)
Level 3 revaluation gain on revaluation		
as at 31 December	391	1,919
Reclassification from investment properties	-	280
Carrying amount and fair value as at 31 December	16,979	16,998

If the properties were measured using the cost model, the carrying amounts would be, as follows:

	Group	
	2024	2023
	RM'000	RM'000
Cost	11,047	11,047
Accumulated depreciation	(2,818)	(2,581)
Net carrying amount	8,229	8,466

(iii) Investment property

The Group's investment properties consist of seven (7) residential and commercial properties.

As at 31 December 2024 and 31 December 2023, the fair value of the investment properties are based on a valuation performed by independent professional valuers specialising in valuing these type of investment properties.

Fair value of the investment property was determined using the market comparison method. This means that valuation performed by the valuer is based on active market prices, adjusted for differences in the nature, location or condition of the specific property.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

10. Right-of-use assets and lease liabilities (cont'd.)

Group as a Lessee (cont'd.)

(a) Right-of-use assets (cont'd.)

(iii) Investment property (cont'd.)

Profit arising from leasehold property carried at fair value is as follow:

	Group 2024 RM'000	2023 RM'000
Rental income derived from leasehold property	4	7
Direct operating expenses generating rental income (included in other operating expenses)	(1)	(1)
Profit arising from investment property carried at fair value	<u>3</u>	<u>6</u>

The Group has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

- (iv) Impairment losses on right-of-use assets amounting to RM2,642,000 (2023: RM2,613,000) have been recognised during the financial year due to recoverable amounts of right-of-use assets in the CGU, which are determined based on cash flow projections, are lower than their carrying amounts.

Additionally, impairment loss amounting to RM914,000 had been reversed out in prior year due to re-opening of Singapore's border which improved the performance of two Johor Bahru's outlets that has been impaired previously during Covid-19 pandemic. This has also been determined by the cash flow projections for the said outlets which determine the recoverable amount of right-of-use assets was higher than their carrying amounts.

The recoverable amount was estimated based on value-in-use ("VIU") and the key assumptions to which the recoverable amount is most sensitive is disclosed below:

Discount rate	10.0%
Sales growth rate	4.4%

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

10. Right-of-use assets and lease liabilities (cont'd.)

Group as a Lessee (cont'd.)

(b) Lease liabilities

Set out below are the carrying amounts of property and hire purchase and the movements during the year:

	Property RM'000	Hire purchase RM'000	Total RM'000
Group			
At 1 January 2024	664,198	71	664,269
Additions	101,579	-	101,579
Remeasurement	137,620	-	137,620
Reclassification	(100)	100	-
Disposal	(8,623)	-	(8,623)
Interest expense	37,273	-	37,273
Payment of principal and interest	(140,285)	(171)	(140,456)
At 31 December 2024	<u>791,662</u>	<u>-</u>	<u>791,662</u>
At 1 January 2023	692,098	361	692,459
Acquisition of a subsidiary company	4,366	62	4,428
Additions	114,554	-	114,554
Remeasurement	114,105	-	114,105
Reclassification from borrowings (Note 26)	100	210	310
Disposal	(12,233)	-	(12,233)
Disposal of subsidiary	(112,282)	(319)	(112,601)
Derecognition	(4,861)	-	(4,861)
Interest expense	38,776	22	38,798
Payment of principal and interest	(170,425)	(265)	(170,690)
At 31 December 2023	<u>664,198</u>	<u>71</u>	<u>664,269</u>

The maturity analysis of lease liabilities are disclosed in Note 35(c).

	Group	
	2024	2023
	RM'000	RM'000
Current liabilities	113,816	95,730
Non-current liabilities	677,846	568,539
	<u>791,662</u>	<u>664,269</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

10. Right-of-use assets and lease liabilities (cont'd.)

Group as a Lessee (cont'd.)

(b) Lease liabilities (cont'd.)

Hire purchase

	Group	
	2024	2023
	RM'000	RM'000
Future minimum lease payments:		
Not later than 1 year	-	34
Later than 1 year and not later than 2 years	-	18
Later than 2 years and not later than 5 years	-	19
	<u>-</u>	<u>71</u>
Less: Future finance charges	-	-
	<u>-</u>	<u>71</u>

	Group	
	2024	2023
	RM'000	RM'000
Analysis of present value of finance lease payables:		
Current	-	34
Non-current:		
Later than 1 year and not later than 2 years	-	18
Later than 2 year and not later than 5 years	-	19
	<u>-</u>	<u>37</u>
	<u>-</u>	<u>71</u>

Hire purchase and finance lease liabilities

Charge over a subsidiary's equipment and motor vehicles of RMNil (2023: RM2,000) acquired by means of hire purchase and finance lease liabilities.

Property

The following are the amounts recognised in profit or loss:

	2024	2023
	RM'000	RM'000
Amortisation expense of right-of-use assets	109,070	139,007
Interest expense on lease liabilities	<u>37,273</u>	<u>38,776</u>
Total amount recognised in profit or loss	<u>146,343</u>	<u>177,783</u>

The future cash outflows relating to leases that have not yet commenced are disclosed in Note 32(b).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

11. Intangible assets

**Computer
software
RM'000**

Group

At 31 December 2024

Cost

At 1 January 2024/31 December 2024

45,587

Accumulated amortisation and impairment

At 1 January 2024

34,393

Amortisation (Note 5)

4,475

At 31 December 2024

38,868

Net carrying amount

At 31 December 2024

6,719

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

11. Intangible assets (cont'd.)

Group (cont'd.)

At 31 December 2023

Cost

At 1 January 2023	202,215	243,387	11,475	60,346	517,423
Acquisition of subsidiaries	5,209	-	1,138	2,470	8,817
Disposal of subsidiary	(207,424)	(243,387)	(12,613)	(17,384)	(480,808)
Reclassification from property, plant and equipment (Note 9)	-	-	-	155	155
At 31 December 2023	-	-	-	45,587	45,587

Accumulated amortisation and impairment

At 1 January 2023	381	23	6,202	37,442	44,048
Amortisation (Note 5)	-	12	1,643	7,176	8,831
Disposal of subsidiary	(381)	(35)	(7,845)	(10,323)	(18,584)
Reclassification from property, plant and equipment (Note 9)	-	-	-	98	98
At 31 December 2023	-	-	-	34,393	34,393

Net carrying amount

At 31 December 2023	-	-	-	11,194	11,194
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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

12. Investments in subsidiary companies

	Company	
	2024	2023
	RM'000	RM'000
Unquoted shares, at cost		
At 1 January	1,402,539	1,402,539
Additions	6,006	-
At 31 December	<u>1,408,545</u>	<u>1,402,539</u>

On 23 April 2024 and 10 October 2024, the Company had subscribed to 600,000 and 5,406,600 additional number of ordinary shares in SEM Infra Sdn. Bhd. ("SISB") for a total cash consideration of RM600,000 and RM5,406,600 at the issue price of RM1.00 per ordinary shares, respectively. SISB remains wholly-owned by the Company.

(a) Changes in the group structure

On 29 December 2023, Convenience Shopping (Sabah) Sdn Bhd ("CSSSB"), a wholly-owned subsidiary of the Company completed the disposal of its entire 75% equity interest in Caring Pharmacy Group Berhad ("Caring") to BIG Pharmacy Holdings Sdn Bhd (the "Disposal") for a consideration, after the final adjustments made to the Equity Value, amounting to RM666,248,195. Arising from the completion of the Disposal, Caring and its subsidiaries (collectively referred to as "Caring Group") has ceased to be indirect subsidiaries of the Company. Further details on the effect of the disposal is disclosed in Note 39 to the financial statements.

On 9 April 2024, SEMSB, a wholly-owned subsidiary of the Company had subscribed to 1 ordinary share in 7-Eleven Services Sdn. Bhd. ("7EESB") for a total cash consideration of RM1 at the issue price of RM1.00 per ordinary share. 7EESB is wholly-owned by 7EMSB. The principal activity of 7EESB is investment holding.

On 23 April 2024 and 10 October 2024, SISB, a wholly-owned subsidiary of the Company had subscribed to 600,000 and 5,406,600 additional number of ordinary shares in SEM ALP Logistic Solutions Sdn. Bhd. ("SALSSB") for a total cash consideration of RM600,000 and RM5,406,600 at the issue price of RM1.00 per ordinary shares, respectively. The subscriptions have retained the controlling interest of the subsidiary at 60%.

(b) Business combination in the previous financial year

On 1 January 2023, Caring Pharmacy Retail Management Sdn. Bhd. ("CPRM"), an indirect 75%-owned subsidiary of the Company had acquired 60% equity interest in Sarawak-based retail pharmacy chain, JOM Pharmacy ("JOM"), for a cash consideration of RM3,620,000.

On 25 April 2023, Caring Pharmacy Sdn. Bhd. ("CPSB"), a subsidiary of the Group, had acquired 100% equity interest in Avanti Pharmacy Sdn. Bhd. for a cash consideration of RM228,000.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

12. Investments in subsidiary companies (cont'd.)

(b) Business combination in the previous financial year (cont'd.)

On 14 June 2023, Living Glory Sdn. Bhd., a subsidiary of the Group, had acquired 51% equity interest in Newday Pharmacy Sdn. Bhd. for a cash consideration of RM567,147.

On 13 July 2023, Caring Evergreen Sdn. Bhd., a subsidiary of the Group, had acquired 60% equity interest in Maxi Care Pharmacy Sdn. Bhd. for a cash consideration of RM2,300,000.

Details of the subsidiary companies are as follows:

Name of company	Principal place of business/ Country of incorporation	Equity interest		Principal activity
		2024	2023	
<i>Held by the Company:</i>				
7-Eleven Malaysia Sdn. Bhd.	Malaysia	100%	100%	Operating and franchising of convenience stores under the "7-Eleven" brand name
Convenience Shopping (Sabah) Sdn. Bhd.	Malaysia	100%	100%	Investment holding company
7 Properties Sdn. Bhd.	Malaysia	70%	70%	Real property investments
Teluk Juara Sdn. Bhd.	Malaysia	83.3%	83.3%	Real property investments
SEM Infra Sdn. Bhd.	Malaysia	100%	100%	Investment holding company
Digital Flow Sdn. Bhd.	Malaysia	100%	100%	Provision of information technology solution, technical and maintenance support service and software solution
Indo Ventures Sdn. Bhd.	Malaysia	100%	100%	Investment holding company

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

12. Investments in subsidiary companies (cont'd.)

Details of the subsidiary companies are as follows: (cont'd.)

Name of company	Principal place of business/ Country of incorporation	Equity interest		Principal activity
		2024	2023	
<i>Held through 7-Eleven Malaysia Sdn. Bhd.:</i>				
7 Properties Sdn. Bhd.	Malaysia	30%	30%	Real property investments
Teluk Juara Sdn. Bhd.	Malaysia	16.7%	16.7%	Real property investments
7-Eleven Services Sdn. Bhd. *	Malaysia	100%	0%	Investment holding company
<i>Held through Convenience Shopping (Sabah) Sdn. Bhd.:</i>				
Café Decoral Sdn. Bhd.^	Malaysia	60%	60%	Supply food stuff
QVI Foods Sdn. Bhd.^	Malaysia	60%	60%	Manufacture of prepared meals and dishes
Caring Pharmacy Group Berhad	Malaysia	0%	75%	Investment holding company
<i>Held through SEM Infra Sdn. Bhd.:</i>				
SEM ALP Logistic Solutions Sdn. Bhd.	Malaysia	60%	60%	Integrated logistics solutions and warehousing provider

^ Audited by a firm other than Ernst & Young PLT, Malaysia

* Newly incorporated on 9 April 2024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

13. Other investments

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Non-current				
Financial assets designated at fair value through profit or loss ("FVTPL")				
Unquoted shares in Malaysia				
At 1 January/31 December	1	1	-	-
Financial assets designated at fair value through other comprehensive income ("FVTOCI")				
Quoted shares in Malaysia (Note (a))				
At 1 January	89,946	33,391	-	-
Additions	72,070	35,369	-	-
Fair value changes	(23,667)	21,186	-	-
At 31 December	138,349	89,946	-	-
Quoted shares outside of Malaysia (Note (a))				
At 1 January	-	-	-	-
Additions	4,583	-	-	-
Fair value changes	(1,312)	-	-	-
At 31 December	3,271	-	-	-
Unquoted instruments in Malaysia				
At 1 January	-	-	-	-
Additions	14,656	-	-	-
Fair value changes	1,183	-	-	-
At 31 December	15,839	-	-	-
Unquoted instruments outside of Malaysia				
At 1 January	4,717	-	4,717	-
Additions	-	4,717	-	4,717
Fair value changes	(4,651)	-	(4,651)	-
At 31 December	66	4,717	66	4,717

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

13. Other investments (cont'd.)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current				
Financial assets carried at FVTPL				
Short term investments (Note (b))				
At 1 January	9,512	77,794	-	-
Disposal of subsidiary	-	(59,208)	-	-
Placement/(Withdrawal), net	33,818	(9,074)	-	-
At 31 December	43,330	9,512	-	-
Total	200,856	104,176	66	4,717
Analysed as:				
Total current	43,330	9,512	-	-
Total non-current	157,526	94,664	66	4,717

- (a) Investments in quoted shares in Malaysia designated at FVTOCI include investments in Berjaya Food Berhad, Berjaya Corporation Berhad, Berjaya Land Berhad, and equity investments held through Discretionary Investment Fund in Berjaya Mutual Berhad (formerly known as Inter-Pacific Asset Management Sdn. Bhd.) ("BMB") at fair values of RM5,226,750, RM10,150,560, RM7,417,500 and RM115,554,767 as at 31 December 2024, respectively.

Investments in quoted shares outside of Malaysia designated at FVTOCI include investments in SAM Holdings and Xamble Group Limited at fair values of RM72,332 and RM3,198,000 as at 31 December 2024, respectively.

- (b) Short term investments consists of investments in highly liquid money market instruments, which are readily convertible and are subject to risks of change in value. There is no maturity period for the money market funds as these money are callable on demand.

Information on the fair value hierarchy is disclosed in Note 34(b) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

14. Investment in associates

	Group	
	2024	2023
	RM'000	RM'000
Unquoted shares in Malaysia		
At cost		
At 1 January	7,512	7,512
Additions	3,287	-
At 31 December	10,799	7,512
Accumulated share of result and impairment loss		
At 1 January/31 December	(7,512)	(7,512)
Net carrying amount		
At 31 December	3,287	-

- (a) On 27 December 2019, 7-Eleven Malaysia Sdn. Bhd. ("7EMSB"), a wholly-owned subsidiary of 7-Eleven Malaysia Holdings Berhad had entered into a subscription agreement for the subscription of 490,030 new ordinary shares ("Subscription Shares") representing about 46.45% equity interest in the enlarged issued share capital of Dego Malaysia Sdn. Bhd. ("DEGO") for a cash consideration of RM7,512,160. The Subscription had been completed on 3 January 2020.

The cost of investment in DEGO was fully impaired in 2021.

- (b) On 23 August 2024, 7-Eleven Services Sdn. Bhd., a subsidiary of 7EMSB had subscribed to 3,286,800 ordinary shares representing about 24.90% equity interest in Abadi Tambah Mulia Internasional Malaysia Sdn. Bhd. ("ATMI") for a cash consideration of RM3,286,800. ATMI is principally involved in supplying and installation of automated teller machines in Malaysia.

The summarised financial information of the associates have not been presented as the associates are individually not material to the Group.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

15. Investment in joint ventures

	Group	
	2024	2023
	RM'000	RM'000
Unquoted shares in Indonesia		
At cost		
At 1 January	19,161	13,014
Additions	5,131	6,147
At 31 December	<u>24,292</u>	<u>19,161</u>
Accumulated share of result and impairment loss		
At 1 January	(19,161)	(3,349)
Share of results	(2,527)	(6,373)
Impairment (Note 5)	(2,604)	(9,439)
At 31 December	<u>(24,292)</u>	<u>(19,161)</u>
Net carrying amount		
At 31 December	<u>-</u>	<u>-</u>

On 1 April 2022, Caring Pharmacy Retail Management Sdn. Bhd. ("CPRM"), a former indirect 75%-owned subsidiary of the Company, completed the joint venture with PT Era Prima Indonesia ("EPI") to establish pharmaceutical business in Indonesia through the following:

- (i) establishment of PT Era Caring Indonesia ("ECI"), a joint-venture company which undertakes the distribution business of pharmaceutical products via a Shareholder's Agreement for a cash consideration of RM1,480,000; and
- (ii) subscription of convertible bonds in PT Era Farma Indonesia ("EFI"), a subsidiary of EPI which undertakes the retailing business of pharmaceutical products via a Mandatory Convertible Bond Subscription Agreement ("MCBSA") for a cash consideration of RM7,160,000.

On 25 November 2022, CPRM invested an additional RM4,370,000 in ECI.

Subsequently, on 24 March 2023 and 20 June 2023, CPRM invested an additional RM6,150,000 in ECI.

On 30 November 2023, Indo Ventures Sdn. Bhd. ("IVSB"), a wholly-owned subsidiary of CSSSB had entered into the following agreements:

- (i) the deed of shares sale and purchase with CPRM for the acquisition by IVSB of the entire 50.1% equity interest in ECI held by CPRM for a cash consideration of RM5,510,581;
- (ii) the adherence agreement with CPRM, PT Era Prima Indonesia and ECI to bind IVSB to the terms of the shareholders' agreement executed between CPRM and PT Era Prima Indonesia governing the relationship between CPRM and PT Era Prima Indonesia as the existing shareholders of ECI; and

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

15. Investment in joint ventures (cont'd.)

On 30 November 2023, Indo Ventures Sdn. Bhd. ("IVSB"), a wholly-owned subsidiary of CSSSB had entered into the following agreements: (cont'd.)

(iii) the adherence agreement with CPRM, PT Era Prima Indonesia and EFI which:

- (a) records the sale and transfer of the entire unsecured mandatory convertible bonds held by CPRM in EFI to IVSB for a cash consideration of RM5,074,060; and
- (b) binds IVSB to the terms of the governance agreement executed between CPRM, PT Era Prima Indonesia and EFI governing the relationship between CPRM (as the existing bondholder) and PT Era Prima Indonesia (as the controlling and majority shareholder of EFI).

As a result, legal transfer of shares of ECI and EFI from CPRM to IVSB was completed on 30 November 2023.

On 20 March 2024 and 10 June 2024, IVSB had subscribed to 11,022,000,000 and 5,511,000,000 ordinary shares in ECI, respectively, for a total cash consideration of RM3,460,908 and RM1,669,833 with the funds intended for working capital purposes.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

15. Investment in joint ventures (cont'd.)

Summarised financial information in respect of ECI, the Group's material joint venture is set out below. The summarised financial information represents the amounts in the financial statements of the joint ventures after modification of fair value adjustments arising from business combination and not the Group's share of those amounts.

	ECI RM'000
30 November 2024*	
Non-current assets	634
Current assets, including cash and cash equivalents	14,950
Non-current liabilities	(745)
Current liabilities	<u>(3,195)</u>
Net assets	<u>11,644</u>
Revenue	11,579
Loss for the year, representing total comprehensive income for the period	<u>(5,043)</u>
Group's interest in the joint ventures	50.1%
Group's share in the carrying amount of net assets	5,834
Group's share of loss	<u>(2,527)</u>

*The Group recognised share of loss of ECI up until November 2024, at which point the remaining cost of investment in ECI was subject to impairment.

There was an indication of impairment in the Group's investment in joint ventures as they were continuously loss-making. The Group has determined the recoverable amount of its investments in joint ventures based on value-in-use method and as a result, an impairment loss of RM2,604,000 (2023: RM9,439,000) was recognised in the consolidated income statement during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

15. Investment in joint ventures (cont'd.)

Summarised financial information in respect of ECI and EFI, the Group's material joint ventures is set out below. The summarised financial information represents the amounts in the financial statements of the joint ventures after modification of fair value adjustments arising from business combination and not the Group's share of those amounts. (cont'd.)

31 December 2023	ECI RM'000	EFI RM'000	Total RM'000
Non-current assets	664	8,972	9,636
Current assets, including cash and cash equivalents	14,494	17,721	32,215
Non-current liabilities	(493)	(307)	(800)
Current liabilities	(5,711)	(16,461)	(22,172)
Net assets	<u>8,954</u>	<u>9,925</u>	<u>18,879</u>
Revenue	14,263	13,306	27,569
Loss for the year, representing total comprehensive income for the year	<u>(7,585)</u>	<u>(5,157)</u>	<u>(12,741)</u>
Group's interest in the joint ventures	50.1%	49.9%	
Group's share in the carrying amount of net assets	4,486	4,953	9,439
Group's share of loss in joint ventures	<u>(3,800)</u>	<u>(2,573)</u>	<u>(6,373)</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

16. Other receivables

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Non-current				
Other receivables (a)	31,916	42,057	-	-
Current				
Other receivables				
Sundry receivables (a)	78,865	84,877	1	22
Amount due from broker under a Discretionary Investment Fund (a)	2,001	-	-	-
Deposits	47,261	26,539	5	5
Prepayments	10,332	12,223	17	17
Amount due from subsidiaries (b)	-	-	356,900	488,790
Dividend receivable	-	-	60,000	60,000
Amount due from other related parties (c)	94,387	2,496	-	-
Less: Allowance for impairment on other receivables	(1,212)	(1,212)	-	-
Total current other receivables	231,634	124,923	416,923	548,834
Total non-current and current other receivables	263,550	166,980	416,923	548,834
Less: Prepayments	(10,332)	(12,223)	(17)	(17)
	253,218	154,757	416,906	548,817
Add: Cash and bank balances (Note 18)	217,947	799,474	155	146
Financial assets at amortised cost	471,165	954,231	417,061	548,963

Receivables, other than amount due from subsidiaries, are unsecured, non-interest bearing and repayable upon demand. They are recognised at their original amounts which represent their fair values on initial recognition.

(a) Other receivables

Included in sundry receivables is an amount of RM72,018,000 (2023: RM82,615,000), comprising of rebates and incentives income receivable from vendors. These rebates and incentives have been estimated based on terms in trade agreements entered into with vendors.

Included in other receivables is an amount of RM2,001,000 (2023: RMNil) due from BMB.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

16. Other receivables (cont'd.)

(a) Other receivables (cont'd.)

Other receivables that are impaired

The other receivables of the Group's that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Individually impaired		
Other receivables - nominal amounts	1,212	1,212
Less: Allowance for impairment	(1,212)	(1,212)
	<u>-</u>	<u>-</u>

Movement in allowance accounts:

	Group	
	2024	2023
	RM'000	RM'000
At 1 January	1,212	1,319
Disposal of subsidiary	-	(107)
At 31 December	<u>1,212</u>	<u>1,212</u>

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments.

(b) Amount due from subsidiaries

Amount due from subsidiaries is unsecured, interest bearing at 4.5% (2023: 4.5%) per annum and is repayable upon demand.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

16. Other receivables (cont'd.)

(c) Amount due from other related parties

Amounts due from other related parties are unsecured, non-interest bearing and are repayable upon demand. Included in amount due from other related parties are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Refundable deposits (Non-trade in nature)	94,387	2,496

Included in amount due from other related parties is an amount of RM90,000,000 (2023: RMNil) placement with a related party, representing part of the subscription made for a proposed venture capital fund which was subsequently aborted towards the end of the financial year. The said subscription fund of RM90,000,000 was fully refunded to the Group subsequent to the financial year ended 31 December 2024.

17. Inventories

	Group	
	2024	2023
	RM'000	RM'000
At cost:		
General merchandise held for resale	410,764	344,103
Consumables	9,266	12,054
	420,030	356,157
Cost of inventories recognised as an expense during the financial year	2,022,809	1,917,513

18. Cash and bank balances

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash on hand and at banks	217,847	798,096	56	47
Cash with money market	1	1,279	-	-
Fixed deposits with licensed banks	99	99	99	99
	217,947	799,474	155	146

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

18. Cash and bank balances (cont'd.)

Included in cash on hand and at banks of the Group are overnight placements with licensed banks amounted to RM161,669,336 (2023: RM668,181,009), with interest ranging from 0.05% to 3.75% (2023: 0.05% to 4.00%) per annum.

As at the reporting date, the interest rate of fixed term deposits of the Group and the Company was 2.57% to 2.77% (2023: 2.32% to 2.77%) per annum.

The remaining days to maturity of deposits as at the end of the financial year were as follows:

	Group		Company	
	2024	2023	2024	2023
	Days	Days	Days	Days
Deposits with licensed banks	90	30 - 90	90	90

19. Share capital

	Group and Company			
	2024		2023	
	Number of		Number of	
	ordinary		ordinary	
	shares	Amount	shares	Amount
	'000	RM'000	'000	RM'000
Issued and fully paid up, at no par value				
At 1 January	1,171,716	1,410,881	1,233,385	1,485,138
Cancellation of treasury shares	-	-	(61,669)	(74,257)
31 December	1,171,716	1,410,881	1,171,716	1,410,881

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares, net of treasury shares, carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

On 14 July 2023, the Company had cancelled 61,669,000 treasury shares amounting RM74,257,000 pursuant to Section 127 of Companies Act 2016.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

20. Treasury shares

	Group and Company			
	2024		2023	
	Number of ordinary shares '000	Amount RM'000	Number of ordinary shares '000	Amount RM'000
At 1 January	62,650	99,108	123,339	194,302
Shares bought back	-	-	980	1,960
Cancellation of shares	-	-	(61,669)	(97,154)
At 31 December	62,650	99,108	62,650	99,108

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares.

The Directors of the Company are committed to enhance the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders. The repurchase transactions were financed by internally generated funds and held as treasury shares.

In the previous financial year, the Company bought back 980,000 shares from the open market for RM1,960,000 or at an average price of RM2.00 per share. The shares bought back were held as treasury shares and 61,669,000 of the shares were cancelled in the previous financial year.

The details of the shares bought back in the previous financial year were as follows:

Month	Price per share (RM)			Number of shares '000	Total considera- tion RM'000
	Lowest	Highest	Average		
Jul 2023	1.99	2.01	2.00	980	1,960

21. Capital reorganisation deficit

	Group	
	2024 RM'000	2023 RM'000
Capital reorganisation deficit		
At 1 January/31 December	(1,343,248)	(1,343,248)

Capital reorganisation deficit represents the difference between the purchase consideration paid to acquire 7EMSB and the equity interest of 7EMSB being acquired.

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22. Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes in investments in equity instruments, net of tax.

23. Assets revaluation reserve

Asset revaluation reserve represents the cumulative fair value changes in land and buildings, net of tax.

	Group	
	2024	2023
	RM'000	RM'000
Revaluation of land and buildings classified as property, plant and equipment and right-of-use assets (Note 9 & Note 10)		
As 1 January	54,401	52,960
Disposal of subsidiary	-	(4,334)
Increase in fair value	1,176	5,775
Attributable to equity holders of the Company	<u>55,577</u>	<u>54,401</u>
Deferred taxation		
As 1 January	(8,050)	(7,361)
Disposal of subsidiary	-	(47)
Provision during the year (Note 27)	(216)	(642)
At 31 December	<u>(8,266)</u>	<u>(8,050)</u>
Total asset revaluation reserve, net of tax	<u>47,311</u>	<u>46,351</u>

24. Retained profits

The Company may distribute dividends out of its entire retained profits under the single tier system.

25. Provisions

	Group	
	2024	2023
	RM'000	RM'000
At 1 January	16,250	17,233
Disposal of subsidiary	-	(1,815)
Provisions during the year	589	1,041
Utilised during the year	(197)	(209)
At 31 December	<u>16,642</u>	<u>16,250</u>

NOTES TO THE FINANCIAL STATEMENTS

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25. Provisions (cont'd.)

At 31 December	Group	
	2024 RM'000	2023 RM'000
Current	1,445	1,418
Non-current:		
Later than 1 year but not later than 2 years	1,025	1,456
Later than 2 years but not later than 5 years	1,889	1,981
Later than 5 years	12,283	11,395
	15,197	14,832
	16,642	16,250

Provisions mainly represent the estimated costs of dismantlement, removal or restoration of property, plant and equipment arising from the use of such assets, which are capitalised and included in the right-of-use assets.

26. Borrowings

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current				
Unsecured:				
Bankers' acceptances	55,895	77,900	-	-
Medium term notes (a)	100,000	149,810	100,000	149,810
Revolving credit	60,000	60,000	-	-
	215,895	287,710	100,000	149,810
Total current borrowings	215,895	287,710	100,000	149,810
Non-current				
Unsecured:				
Medium term notes (a)	349,687	449,688	349,687	449,688
Total non-current borrowings	349,687	449,688	349,687	449,688
Total borrowings				
Bankers' acceptances	55,895	77,900	-	-
Revolving credit	60,000	60,000	-	-
Medium term notes	449,687	599,498	449,687	599,498
Total current and non-current borrowings	565,582	737,398	449,687	599,498

NOTES TO THE FINANCIAL STATEMENTS

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26. Borrowings (cont'd.)

(a) Medium term notes

In the previous financial year, the Company has established a 15-year medium term notes ("MTN") programme of RM600,000,000 in nominal value ("MTN Programme"), which was lodged with the Securities Commission Malaysia ("SC") on 15 April 2021 in accordance with the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework. On 28 June 2021, the Company has completed its maiden MTN issuance of RM500,000,000 ("Series 1 MTN") under the MTN Programme. The tenure is up to 15 years from the date of the first issuance of MTN.

The significant covenants of the MTN Programme are as follows:

- (i) the Company to maintain a consolidated gearing ratio of not greater than 0.75 times. The consolidated gearing ratio is defined as the ratio of consolidated indebtedness (Group's borrowings less cash and bank balances) to consolidated total equity (Group's total equity excluding capital reorganisation deficit);
- (ii) the Company shall not declare or pay any dividends or make any distribution whether income or capital in nature ("Restricted Payment") to its shareholders if:
 - an Event of Default has occurred or is continuing or would occur if such Restricted Payment is made; or
 - the Debt Service Cover Ratio ("DSCR") is below 1.50 times after the Restricted Payment is made.

DCSR is defined as the ratio of Net Available Cash (aggregate of all cash and bank balances at the beginning of the financial year and net cash flow (excluding Total Debt Service) in the preceding twelve (12) months period for the Group) to Total Debt Services (aggregate of all amounts paid in respect of the MTN Programme, payment/repayment of external financial/borrowings and all interest and related costs paid for external financing/borrowings in the preceding twelve (12) months period for the Group).; and

- (iii) the Company shall not reduce or alter in any way whatsoever (other than by way of an increase) its issued and paid-up capital whether by varying the amount, structure or value thereof or the rights attached thereto.

As at 31 December 2024, the consolidated gearing ratio and DSCR is 0.2 times and 2.1 times on the MTN programme, respectively.

The Company monitors its compliance with this significant covenant on an annual basis and there is no indication that the Company will have any difficulty in complying with this significant covenant.

NOTES TO THE FINANCIAL STATEMENTS

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26. Borrowings (cont'd.)

The remaining maturities of the borrowings as at 31 December 2024 and 31 December 2023, other than hire purchase and finance lease liabilities as disclosed in Note 10, are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
At 31 December				
Non-current:				
Later than 1 year but not later than 2 years	250,000	100,000	250,000	100,000
Later than 2 years but not later than 5 years	99,687	349,688	99,687	349,688
Total non-current borrowings	<u>349,687</u>	<u>449,688</u>	<u>349,687</u>	<u>449,688</u>
Current:				
Not later than 1 year	<u>215,895</u>	<u>287,710</u>	<u>100,000</u>	<u>149,810</u>
Total non-current and current borrowings	<u>565,582</u>	<u>737,398</u>	<u>449,687</u>	<u>599,498</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

26. Borrowings (cont'd.)

Changes in liabilities arising from financing activities:

Group	At 1 January 2024 RM'000	Drawdown RM'000	Adjustment RM'000	Repayment RM'000	At 31 December 2024 RM'000
Bankers' acceptances	77,900	253,395	-	(275,400)	55,895
Revolving credit	60,000	-	-	-	60,000
Medium term notes	599,498	-	189 ^{^^}	(150,000)	449,687
	737,398	253,395	189	(425,400)	565,582

Group	At 1 January 2023 RM'000	Acquisition of subsidiary companies RM'000	Disposal of subsidiary RM'000	Drawdown RM'000	Adjustment RM'000	Repayment RM'000	Reclass- ification (Note 10 (b)) RM'000	At 31 December 2023 RM'000
Bankers' acceptances	5,500	-	-	234,300	-	(161,900)	-	77,900
Term loan	55,542	2,265	(45,265)	-	-	(12,232)	(310)	-
Revolving credit	60,000	-	(16,000)	17,000	-	(1,000)	-	60,000
Medium term notes	600,000	-	-	-	(502) ^{^^}	-	-	599,498
	721,042	2,265	(61,265)	251,300	(502)	(175,132)	(310)	737,398

^{^^} Adjustment to discount the medium term notes to its present value.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

26. Borrowings (cont'd.)

Changes in liabilities arising from financing activities: (cont'd.)

Company	At 31		At 31	
	1 January 2024	Adjustment	December 2024	Repayment
	RM'000	RM'000	RM'000	RM'000
Medium term notes	599,498	189 ^	(150,000)	449,687
Company	At 31		At 31	
	1 January 2023	Adjustment	December 2023	Repayment
	RM'000	RM'000	RM'000	RM'000
Medium term notes	600,000	(502) ^^	-	599,498

^^ Adjustment to discount the medium term notes to its present value.

Other information on financial risks of borrowings are disclosed in Note 35(b).

NOTES TO THE FINANCIAL STATEMENTS

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27. Deferred tax liabilities/(assets)

	Group	
	2024	2023
	RM'000	RM'000
As at 1 January	(9,805)	53,405
Disposal of subsidiary	-	(60,062)
Recognised in profit or loss - continuing operations (Note 8(a))	4,556	(3,507)
Recognised in profit or loss - discontinued operation	-	(283)
Recognised in other comprehensive income	216	642
As at 31 December	<u>(5,033)</u>	<u>(9,805)</u>

Presented after appropriate offsetting as follows:

	Group	
	2024	2023
	RM'000	RM'000
Deferred tax assets	(10,291)	(14,616)
Deferred tax liabilities	5,258	4,811
	<u>(5,033)</u>	<u>(9,805)</u>

The components and movements of deferred tax assets and liabilities during the financial year after offsetting are as follows:

Deferred tax assets

	At 1 January	Recognised	At 31
	2024	in profit or	December
	RM'000	loss	2024
		RM'000	RM'000
Group			
Right-of-use assets	(14,726)	(1,304)	(16,030)
Provisions	(25,112)	6,059	(19,053)
	<u>(39,838)</u>	<u>4,755</u>	<u>(35,083)</u>
Less: Set off deferred tax liabilities			24,792
As at 31 December 2024			<u>(10,291)</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

27. Deferred tax liabilities/(assets) (cont'd.)

The components and movements of deferred tax assets and liabilities during the financial year after offsetting are as follows: (cont'd.)

Deferred tax assets (cont'd.)

	At 1 January 2023 RM'000	Disposal of subsidiary RM'000	Recognised in profit or loss RM'000	At 31 December 2023 RM'000
Group				
Right-of-use assets	(14,875)	(189)	338	(14,726)
Property, plant and equipment	211	(836)	625	-
Provisions	(25,478)	2,145	(1,779)	(25,112)
Unabsorbed tax losses	4	(4)	-	-
Unutilised capital allowances	-	4	(4)	-
	<u>(40,138)</u>	<u>1,120</u>	<u>(820)</u>	<u>(39,838)</u>
Less: Set off deferred tax liabilities				25,222
As at 31 December 2023				<u><u>(14,616)</u></u>

Deferred tax liabilities

	At 1 January 2024 RM'000	Recognised in profit or loss RM'000	Recognised in other comprehen- sive income RM'000	At 31 December 2024 RM'000
Group				
Property, plant and equipment	22,679	(288)	-	22,391
Revaluation of land and buildings to fair value	7,495	-	216	7,711
Other temporary differences	<u>(141)</u>	<u>89</u>	<u>-</u>	<u>(52)</u>
	<u>30,033</u>	<u>(199)</u>	<u>216</u>	<u>30,050</u>
Less: Set off deferred tax assets				(24,792)
As at 31 December 2024				<u><u>5,258</u></u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

27. Deferred tax liabilities/(assets) (cont'd.)

The components and movements of deferred tax assets and liabilities during the financial year after offsetting are as follows: (cont'd.)

Deferred tax liabilities (cont'd.)

	At 1 January 2023 RM'000	Disposal of subsidiary RM'000	Recognised in profit or loss RM'000	Recognised in other comprehen- sive income RM'000	At 31 December 2023 RM'000
Group					
Property, plant and equipment	28,112	(2,804)	(2,804)	175	22,679
Right-of-use assets	(368)	405	(37)	-	-
Intangible assets	62,208	(62,208)	-	-	-
Revaluation of land and buildings to fair value	6,807	221	-	467	7,495
Fair value of investment property	100	(100)	-	-	-
Other temporary differences	(3,316)	3,304	(129)	-	(141)
	<u>93,543</u>	<u>(61,182)</u>	<u>(2,970)</u>	<u>642</u>	<u>30,033</u>
Less: Set off deferred tax assets					<u>(25,222)</u>
As at 31 December 2023					<u>4,811</u>

NOTES TO THE FINANCIAL STATEMENTS

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28. Trade payables

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current				
Third parties (a)				
Merchandise suppliers	420,685	389,218	-	-
Phone reload coupon and in-store services suppliers	6,248	19,870	-	-
Related parties (b)				
Merchandise suppliers	518	194	-	-
Phone reload coupon and in-store services suppliers	66,977	89,136	-	-
Total trade payables	<u>494,428</u>	<u>498,418</u>	<u>-</u>	<u>-</u>
Total trade payables	494,428	498,418	-	-
Add:				
Lease liabilities (Note 10(b))	791,662	664,269	-	-
Other payables (Note 29)	220,735	229,874	162	108
Borrowings (Note 26)	<u>565,582</u>	<u>737,398</u>	<u>449,687</u>	<u>599,498</u>
Total financial liabilities, carried at amortised cost	<u>2,072,407</u>	<u>2,129,959</u>	<u>449,849</u>	<u>599,606</u>

(a) Third parties

The normal trade credit terms granted to the Group are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Merchandise suppliers	30 - 120	30 - 120
Phone reload coupon and in-store services suppliers	<u>7 - 60</u>	<u>7 - 60</u>

The normal trade credit terms granted to the Group ranged from 7 to 120 (2023: 7 to 120) days. However, suppliers will generally extend their credit terms to 90 (2023: 90) days upon request by the Group.

(b) Related parties

As at 31 December 2024, related party refers to companies in which Tan Sri Dato' Seri Vincent Tan Chee Yioun ("TSVT") are deemed to have an interest. The trade credit term granted ranged from 7 to 60 (2023: 7 to 60) days.

NOTES TO THE FINANCIAL STATEMENTS

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29. Other payables and contract liabilities

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Other payables:				
Current				
Sundry payables (a)	93,683	60,463	-	-
Accruals	95,006	133,372	162	108
Amount due to broker under				
a Discretionary Investment Fund	-	1,073	-	-
Refundable deposits (b)	31,823	31,964	-	-
Due to related parties	223	3,002	-	-
Total other payables	220,735	229,874	162	108
Contract liabilities (c):				
Current and non-current				
Initial franchise fees	11,791	13,314	-	-
Loyalty points programme	6,595	8,455	-	-
Total contract liabilities	18,386	21,769	-	-

The current and non-current portions of contract liabilities are as below:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Non-current	9,793	11,336	-	-
Current	8,593	10,433	-	-
	18,386	21,769	-	-

(a) Payables

Payables are unsecured, non-interest bearing and are normally settled on 30 to 60 (2023: 30 to 60) days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Included in sundry payables are balances in respect of transactions with a company in which TSVT is deemed interested:

		Group	
Type of transaction		2024	2023
		RM'000	RM'000
Securexpress Services Sdn. Bhd.	Transportation costs	38	545

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

29. Other payables and contract liabilities (cont'd.)

(b) Refundable deposits

Refundable deposits comprised security deposits, change fund deposits and rental deposits. These deposits are refundable upon the termination by notice as per the franchise or tenancy agreements, or the expiration of the respective agreement.

(c) Contract liabilities

Contract liabilities comprised deferred revenue from initial franchise fees and loyalty points not yet redeemed.

30. Dividends

	Group and Company			
	2024		2023	
	Amount, net of tax RM'000	Net dividend per ordinary share Sen	Amount, net of tax RM'000	Net dividend per ordinary share Sen
Dividend for the financial year ended 31 December 2024				
Interim single-tier cash dividend of 2.7 sen on 1,109,066,500 [#] ordinary shares, declared on 18 April 2024 and paid on 28 May 2024	29,945	2.7	-	-
Dividend for the financial year ended 31 December 2023				
Interim single-tier cash dividend of 5.4 sen on 1,110,046,500 ^{^^^} ordinary shares, declared on 13 April 2023 and paid on 25 May 2023	-	-	59,943	5.4
	<u>29,945</u>	<u>2.7</u>	<u>59,943</u>	<u>5.4</u>

[#] Dividends were distributed to the holders of ordinary shares of the Company in issue as at 13 May 2024 (being the entitlement date), net of 62,649,500 treasury shares.

^{^^^} Dividends were distributed to the holders of ordinary shares of the Company in issue as at 11 May 2023 (being the entitlement date), net of 107,065,000 treasury shares.

NOTES TO THE FINANCIAL STATEMENTS

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31. Significant related party transactions

(a) Significant related party transactions

		Company	
		2024	2023
	Type of transaction	RM'000	RM'000
With a subsidiary company			
<i>Held by the Company:</i>			
7-Eleven Malaysia Sdn. Bhd. ("7EMSB")	Dividend income from 7EMSB	60,000	60,000
	Net advances from 7EMSB	215,556	66,120
	Interest expense to 7EMSB	(3,353)	-
	Interest income from 7EMSB	<u>1,274</u>	<u>2,362</u>
Convenience Shopping (Sabah) Sdn. Bhd. ("CSSSB")	Repayment from CSSSB	-	30,000
	Interest income on advances to CSSSB	<u>21,788</u>	<u>21,048</u>
With companies in which TSVT is deemed interested*			
U Mobile Sdn. Bhd. ("U Mobile")	Receipts from U Mobile for commission on sale of mobile phone reloads	8,781	9,162
	Payments to U Mobile for transaction values reload for sale of mobile phone reloads	(171,050)	(178,086)
	Receipts from U Mobile for advertisement placement fees	<u>11,875</u>	<u>10,853</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

31. Significant related party transactions (cont'd.)

(a) Significant related party transactions (cont'd.)

		Group	
		2024	2023
	Type of transaction	RM'000	RM'000
With companies in which TSVT is deemed interested* (cont'd.)			
Sun Media Corporation Sdn. Bhd.	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
Securexpress Services Sdn. Bhd. ("Securexpress")	Payment to Securexpress for transportation fees on delivery of merchandise goods to stores	(10,226)	(10,819)
Bestari Food Trading Sdn. Bhd. ("BFT") (formerly known as Berjaya Food Trading Sdn. Bhd.)	Payment to BFT for purchase of beverages	(526)	(952)
Nural Enterprise Sdn. Bhd. ("NESB")	Payment to NESB for rental of property	(597)	(2,076)
Berjaya Times Square Sdn. Bhd. ("BTSB")	Payment to BTSB for rental of property	(1,743)	(820)
Ace Print Sdn. Bhd. ("Ace Print")	Purchase of consumables	(1,734)	(1,009)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

31. Significant related party transactions (cont'd.)

(a) Significant related party transactions (cont'd.)

		Group	
		2024	2023
	Type of transaction	RM'000	RM'000
With companies in which TSVT is deemed interested* (cont'd.)			
Razer Pay Holdings Pte. Ltd. and its subsidiary companies ("Razer")	Receipt of commission by 7EMSB for in-store services such as reloads of mobile phone, TNG and online games, gift cards and bill payments	39,606	43,210
	Transaction values paid by 7EMSB for in-store services such as reloads of mobile phones, TNG and online games, gift cards and bill payments	(5,206,257)	(4,972,935)
	Commission receivable for e-wallet transactions	(4,579)	(1,913)
	Transaction value receivable by 7EMSB for e-wallet transactions	909,240	560,683
With companies in which Director of a subsidiary is deemed interested			
Bioscenergy International Sdn. Bhd. ("BIO")	Purchase of healthcare products by Caring	-	(34,360)

* TSVT is a substantial shareholder of the Company.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

31. Significant related party transactions (cont'd.)

(a) Significant related party transactions (cont'd.)

The Directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on negotiated terms and conditions.

Information regarding outstanding balances arising from related party transactions as at 31 December 2024 and 2023 are disclosed in Notes 16, 28 and 29.

(b) Compensation of key management personnel

The remuneration of directors and members of key management during the financial year was as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Short-term employee benefits	8,887	10,513	-	-
Post-employment benefits:				
Defined contribution plan	970	1,112	-	-
	<u>9,857</u>	<u>11,625</u>	<u>-</u>	<u>-</u>
Included in the total key management personnel are:				
Directors' benefits (Note 6)	<u>4,577</u>	<u>5,050</u>	<u>469</u>	<u>986</u>

32. Commitments

(a) Capital commitments

	Group	
	2024	2023
	RM'000	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>

NOTES TO THE FINANCIAL STATEMENTS

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32. Commitments (cont'd.)

(b) Operating lease commitments - as lessor

The Group has entered into commercial property leases on their properties. These non-cancellable leases have an average lease terms of 3 years. All leases include a clause to enable upward revision of the rental charge upon renewal of the leases based on prevailing market conditions.

The future minimum rentals receivable under non-cancellable operating leases at the reporting date are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Not later than 1 year	200	349
Later than 1 year but not later than 5 years	-	186
	200	535

33. Contingent liabilities

(a) Bank guarantee

The Group has bank guarantees of RM15,875,356 as at 31 December 2024 (2023: RM12,312,147) as security deposits in favour of various government bodies, private companies and landlord of the tenancies. The bank guarantee facilities are granted to 7EMSB as at 31 December 2024 on a clean basis.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

33. Contingent liabilities (cont'd.)

(b) Material litigation

(i) Former employee A ("Plaintiff A")

On 11 October 2022, Plaintiff B who was a former employee of 7EMSB commenced an action against 7EMSB alleging, amongst others, breach of employment agreement, constructive dismissal, tort of intentional infliction of emotional distress and tort of harassment. The claim is primarily based on Plaintiff B being dissatisfied with the proposed restructuring exercise within the team suggested by his superior. Plaintiff B is claiming special damages in the sum of RM4,708,992. 7EMSB has filed its Defence on 11 November 2022 and the Plaintiff has served his Reply to Defence on 7EMSB on 23 November 2022. The matter was fixed for full trial on 3 and 4 July 2023.

Trial fixed on 3 July 2023 has been vacated by the High Court Judge and the Judge directed 7EMSB to file an application to strike out the claim instead. 7EMSB filed the said striking out application on 18 July 2023 as directed by the Judge. On 7 March 2024, the High Court has found in favour of SEM's striking out application. As such, the Plaintiff's claim via the Writ of Summons and Statement of Claim was struck out with costs of RM7,000. The Plaintiff has filed his appeal to the Court of Appeal on 11 March 2024. The appeal is fixed for hearing on 7 March 2025 and upon hearing, it is dismissed by the Court of Appeal with cost of RM10,000 awarded to 7EMSB.

The Plaintiff dissatisfied with the Court of Appeal's dismissal and filed a motion for leave to appeal to the Federal Court on 21 March 2025. The Federal Court has fixed the case management for the motion on 12 June 2025. The appeal is fixed for hearing on 26 June 2025.

The Directors of 7EMSB are of the opinion that there is a fair chance of succeeding in their defence over the disputed claim. Accordingly, no provision for any liability has been made in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

34. Fair value of financial instruments

(a) Determination of fair value

Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables (current)	16
Trade and other payables (current)	28, 29
Borrowings (current and non-current)	26
Lease liabilities (current and non-current)	10(b)

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amounts of the current and non-current portion of borrowings are reasonable approximation of fair values due to the insignificant impact of discounting.

The fair values of current and non-current borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowings or leasing arrangements at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

34. Fair value of financial instruments (cont'd.)

(b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities:

	Fair value measurement using		
	Quoted prices in active markets (Level 1) RM'000	Significant observable inputs (Level 2) RM'000	Significant un- observable inputs (Level 3) RM'000
Group			
31 December 2024			
Assets carried at fair value:			
Land and buildings classified as property, plant and equipment (Note 9)	86,192	-	86,192
Land and buildings classified as right-of-use assets (Note 10(a))	16,979	-	16,979
Other investments (Note 13)	184,951	184,950	1
Investment in unquoted instrument inside Malaysia designated at FVTOCI (Note 13)	15,839	-	15,839
Investment in unquoted instrument outside Malaysia designated at FVTOCI (Note 13)	66	-	66

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

34. Fair value of financial instruments (cont'd.)

(b) Fair value hierarchy (cont'd.)

	Fair value measurement using		
	Quoted prices in active markets (Level 1) RM'000	Significant observable inputs (Level 2) RM'000	Significant un- observable inputs (Level 3) RM'000
Total RM'000			
Group			
31 December 2023			
Assets carried at fair value:			
Land and buildings classified as property, plant and equipment (Note 9)	85,842	-	85,842
Land and buildings classified as right-of-use assets (Note 10(a))	16,998	-	16,998
Other investments (Note 13)	99,459	99,458	1
Investment in unquoted instrument outside Malaysia designated at FVTOCI (Note 13)	4,717	-	4,717

There have been no transfers between Level 1 and Level 2 during the year.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

35. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk, liquidity risk and foreign currency risk.

The Board of Directors reviews and agrees the policies and procedures for the management of these risks, in order to minimise the effects of the unpredictability of the financial markets on the performance of the Group and of the Company, which are executed by the senior management of the Company.

It is the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from sundry receivables. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual growth while minimising losses incurred due to increased credit risk exposure. Receivable balances are monitored on an ongoing basis.

Credit risk concentration profile

The Group does not have any major concentration of credit risk related to any individual customer or counterparty.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

35. Financial risk management objectives and policies (cont'd.)

(a) Credit risk (cont'd.)

Amounts due from related companies, subsidiaries and other related parties

There is minimal risk of default as these related companies holds substantial amount of properties, while the other related parties and subsidiary company are prospectively profitable. The credit standing of these related companies are periodically monitored and reviewed.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The interest bearing assets made up of deposits with licensed banks. The Group and the Company manage the interest rate risk of their deposits with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank.

Borrowings at floating rates expose the Group and the Company to cash flow interest rate risk. Borrowings obtained at fixed rate expose the Group and the Company to fair value interest rate risk. The Group and the Company manage their interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 50 basis points higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM5,158,000 (2023: RM5,326,000) lower/higher, arising mainly as a result of higher/lower interest income on deposits with licensed banks and interest expenses on borrowings.

At the reporting date, if interest rates had been 50 basis points higher/lower, with all other variables held constant, the Company's profit net of tax would have been RM815,000 (2023: RM144,000) lower/higher, arising mainly as a result of higher/lower interest income on deposit with licensed banks and interest expenses on borrowings and amount due from a subsidiary company.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

35. Financial risk management objectives and policies (cont'd.)

(b) Interest rate risk (cont'd.)

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment. The carrying amounts, the range of applicable interest rates as at the reporting date and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk are disclosed in Notes 10 and 26 and the table below:

At 31 December 2024						
Group	Note	Range of interest %	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	Over 5 years RM'000
Fixed rate						
Lease liabilities	10(b)	4.5 - 5.8	113,816	91,391	205,899	380,556
Medium term notes	26	4.0 - 4.8	100,000	250,000	99,687	-
						791,662
						449,687
Variable rate						
Bankers' acceptances	26	4.5 - 5.1	55,895	-	-	-
Revolving credit	26	5.1 - 5.3	60,000	-	-	-
						55,895
						60,000
Company						
Fixed rate						
Medium term notes	26	4.0 - 4.8	100,000	250,000	99,687	-
						449,687

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

36. Financial risk management objectives and policies (cont'd.)

(b) Interest rate risk (cont'd.)

At 31 December 2023

Group

Fixed rate

Hire purchase and
finance lease
Lease liabilities
Medium term notes

Note	Range of interest %	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	Over 5 years RM'000	Total RM'000
10(b)	5.03 - 5.32	34	18	-	-	71
10(b)	4.4 - 5.8	95,696	90,694	205,899	271,909	664,198
26	4.0 - 4.8	149,810	100,000	349,688	-	599,498

Variable rate

Bankers' acceptances
Revolving credit

26	4.5 - 5.1	77,900	-	-	-	77,900
26	5.1 - 5.3	60,000	-	-	-	60,000

Company

Fixed rate

Medium term notes

26	4.0 - 4.8	149,810	100,000	349,688	-	599,498
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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

35. Financial risk management objectives and policies (cont'd.)

(c) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group actively manages its operating cash flows and the availability of funding so as to ensure that all funding needs are met. As part of its overall prudent liquidity management, the Group maintains the availability of funding through adequate amount of committed credit facilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	2024			
	On demand or within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000	Total RM'000
Group				
Financial liabilities:				
Lease liabilities	148,790	456,299	369,932	975,021
Trade payables	494,428	-	-	494,428
Other payables	220,735	-	-	220,735
Borrowings	236,471	366,753	-	603,224
Total undiscounted financial liabilities	1,100,424	823,052	369,932	2,293,408
	On demand or within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000	Total RM'000
Company				
Financial liabilities:				
Trade and other payables	162	-	-	162
Borrowings	117,786	366,753	-	484,539
Total undiscounted financial liabilities	117,948	366,753	-	484,701

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

35. Financial risk management objectives and policies (cont'd.)

(c) Liquidity risk (cont'd.)

Analysis of financial instruments by remaining contractual maturities (cont'd.)

Group	2023			Total RM'000
	On demand or within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000	
Financial liabilities:				
Lease liabilities	127,419	380,316	316,638	824,373
Trade payables	498,418	-	-	498,418
Other payables	229,874	-	-	229,874
Borrowings	318,001	484,539	-	802,540
Total undiscounted financial liabilities	1,173,712	864,855	316,638	2,355,205
Company	On demand or within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000	Total RM'000
Financial liabilities:				
Trade and other payables	107	-	-	107
Borrowings	173,171	484,539	-	657,710
Total undiscounted financial liabilities	173,278	484,539	-	657,817

(d) Foreign currency risk

The Group is exposed to foreign currency risk as a result of its normal operating activities, where the currency denomination differs from the functional currency, Ringgit Malaysia. The currency giving rise to this risk is primarily US Dollar. Foreign exchange exposures are kept to an acceptable level.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

36. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2024 and 2023.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group's policy is to keep the gearing ratio of less than 1.25 times. The Group includes within net debt, loans and borrowings, less cash and bank balances. Capital represent total equity excluding treasury shares.

	Note	Group		Company	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Borrowings	26	565,582	737,398	449,687	599,498
Less: Cash and bank balances	18	(217,947)	(799,474)	(155)	(146)
Net debt/(cash)		<u>347,635</u>	<u>(62,076)</u>	<u>449,532</u>	<u>599,352</u>
Total capital as defined above		<u>441,508</u>	<u>456,404</u>	<u>1,475,148</u>	<u>1,455,610</u>
Gearing ratio		<u>0.79</u>	<u>-0.14</u>	<u>0.30</u>	<u>0.41</u>

The gearing ratio is not governed by the MFRS and its definition and calculation may vary from one group/company to another.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

37. Segment information

The Group is essentially involved in operation of convenience stores, pharmaceutical, investment holding and real property investments. Operating segments of the Group are best segregated as follows:

(a) Convenience stores

The convenience stores segment is the operating and franchising of convenience stores under the "7-Eleven" brand name, which offers a range of grocery and food items including hot food and beverages and manages the distribution of reloads of mobile phone, Touch 'n Go and online game and bill payment services.

(b) Pharmaceutical

The pharmaceutical segment is the operating chain of pharmacies under the "Caring", "Pill House" and "Wellings" brand name, which retails pharmaceutical, healthcare and personal care products. Upon the completion of the disposal of Caring Group, the pharmaceutical segment has been discontinued in the previous financial year.

(c) Others

The other segments consist of investment holding and real property investments.

All inter-segment transactions were carried out in the normal course of business and established under negotiated terms.

	External	Group Inter- segment/ Adjustment	Total
For the financial year ended 31 December 2024	RM'000	RM'000	RM'000
Revenue from continuing operations			
Convenience stores	2,925,110	-	2,925,110
Others	438	525	963
Inter-segment elimination	-	(525)	(525)
	2,925,548	-	2,925,548

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

37. Segment information (cont'd.)

For the financial year ended 31 December 2023	External RM'000	Group Inter- segment RM'000	Total RM'000
Revenue from continuing operations			
Convenience stores	2,783,106	-	2,783,106
Others	446	525	971
Inter-segment elimination	-	(525)	(525)
	<u>2,783,552</u>	<u>-</u>	<u>2,783,552</u>
Revenue from discontinued operation			
Pharmaceutical	1,381,632	-	1,381,632

Results	Group 2024 RM'000	2023 RM'000
Profit from continuing operations:		
Convenience stores	135,466	123,145
Others	(3,323)	(32,184)
	<u>132,143</u>	<u>90,961</u>
Interest income	10,225	2,820
Share of results of joint ventures	(2,527)	(6,373)
Finance costs	(66,040)	(65,837)
Profit before tax	<u>73,801</u>	<u>21,571</u>
Income tax expense	(35,269)	(36,031)
Net profit for the year	<u>38,532</u>	<u>(14,460)</u>
Profit from discontinued operations:		
Pharmaceutical	-	301,383
Interest income	-	2,900
Finance costs	-	(7,063)
Profit before tax	<u>-</u>	<u>297,220</u>
Income tax expense	-	(12,642)
Net profit for the year	<u>-</u>	<u>284,578</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

37. Segment information (cont'd.)

Assets and liabilities

	Assets RM'000	Liabilities RM'000
For the financial year ended 31 December 2024		
Continuing operations		
Convenience stores	2,204,997	1,695,524
Others	251,029	418,102
	<u>2,456,026</u>	<u>2,113,626</u>
For the financial year ended 31 December 2023		
Continuing operations		
Convenience stores	2,339,118	1,529,117
Others	192,157	644,862
	<u>2,531,275</u>	<u>2,173,979</u>
Discontinued operation		
Pharmaceutical	<u>1,077,113</u>	<u>600,675</u>

Other information

	← Group →		
	Capital expenditure RM'000	Depreciation and amortisation RM'000	Impairment/ written-off RM'000
For the financial year ended 31 December 2024			
Continuing operations			
Convenience store	<u>230,543</u>	<u>207,146</u>	<u>8,784</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

37. Segment information (cont'd.)

Other information (cont'd.)

	Group		
	Capital expenditure RM'000	Depreciation and amortisation RM'000	Impairment loss/ written-off RM'000
For the financial year ended 31 December 2023			
Continuing operations			
Convenience store	189,281	181,864	3,969
Discontinued operation			
Pharmaceutical	10,687	47,809	2,830
	<u>199,968</u>	<u>229,673</u>	<u>6,799</u>

All revenue and non-current assets are earned and held in Malaysia.

38. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the financial year (net of tax) attributable to equity holders of the Company, by the weighted average number of ordinary shares outstanding during the financial year.

The Company has no potential ordinary shares and therefore, diluted earnings per share is the same as basic earnings per share. The following reflect the profit and share data used in the computation of basic earnings per share for the years ended 31 December:

	Group	
	2024	2023
Net profit attributable to equity holders of the Company (RM'000)	41,611	261,766
Weighted average number of ordinary shares in issue ('000)	1,109,067	1,109,620
Basic/diluted earnings per ordinary share (sen)	<u>3.75</u>	<u>23.59</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

39. Discontinued operation

On 29 December 2023, the disposal of Caring by the Company was completed and the results of Caring Group's operations was classified as a discontinued operation as at 31 December 2023. The business of Caring Group represented the entirety of the Group's pharmaceutical segment until 29 December 2023. The results of Caring Group for the previous financial year are presented below:

	2023 RM'000
Revenue	1,381,632
Cost of sales	(1,109,340)
Gross profit	<u>272,292</u>
Other operating income	44,135
Gain on disposal of subsidiary	262,798
Selling and distribution expenses	(200,823)
Administrative and other operating expenses	<u>(74,119)</u>
Profit from operations (Note 5)	304,283
Finance costs	<u>(7,063)</u>
Profit before tax	297,220
Income tax expense (Note 8)	<u>(12,642)</u>
Profit for the year from discontinued operation	<u><u>284,578</u></u>

The major classes of assets and liabilities of Caring Group that has been disposed off as at 31 December 2023 are as follows:

	2023 RM'000
Non current assets	
Property, plant and equipment	41,270
Investment property	21,435
Right-of-use assets	136,811
Intangible assets	462,224
Deferred tax assets	1,120
	<u>662,860</u>
Current assets	
Inventories	229,838
Sundry receivables	46,511
Tax recoverable	11,547
Other investment	59,208
Cash and bank balances	67,149
	<u>414,253</u>
Total assets	<u><u>1,077,113</u></u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

39. Discontinued operation (cont'd.)

The major classes of assets and liabilities of Caring Group that has been disposed off as at 31 December 2023 are as follows: (cont'd.)

	2023 RM'000
Non current liabilities	
Borrowings	33,485
Lease liabilities	78,260
Contingent considerations	35,623
Deferred tax liabilities	61,182
	<u>208,550</u>
Current liabilities	
Provisions	1,815
Borrowings	27,780
Lease liabilities	34,341
Trade payables	274,338
Other payables	50,662
Contract liabilities	3,189
	<u>392,125</u>
Total liabilities	<u>600,675</u>
 Net assets	 476,438
Less: Non controlling interests	<u>(83,664)</u>
Share of net assets of Caring Group	<u>392,774</u>
 Amounts included in accumulated OCI:	
Revaluation reserve of land and buildings	2,022
Deferred tax	(175)
Reserve of disposal group classified as held for sale	<u>1,847</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

39. Discontinued operation (cont'd.)

The effects on the financial position of the Group arising from the disposal of Caring Group are as follows:

	Group 2023 RM'000
Disposal proceeds	666,248
Net assets disposed	(392,774)
Fair value effects of deferred considerations receivable on Balance Disposal Consideration	(1,870)
Disposal expenses	(8,806)
Gain on disposal	<u>262,798</u>
Disposal proceeds	666,248
Cash and bank balances disposed	(67,149)
Fixed deposit pledged to licensed bank	1,509
Deferred consideration	(30,000)
Net cash inflow on disposal	<u>570,608</u>

The net cash flows incurred by Caring Group are as follows:

	2023 RM'000
Operating	115,202
Investing	(355)
Financing	(107,931)
	<u>6,916</u>

Earnings per share:

Basic earnings per share amounts are calculated by dividing profit for the financial year (net of tax) attributable to equity holders of the Company, by the weighted average number of ordinary shares outstanding during the financial year.

The Company has no potential ordinary shares and therefore, diluted earnings per share is the same as basic earnings per share. The following reflect the profit and share data used in the computation of basic earnings per share for the years ended 31 December:

	2023
Profit for the year from discontinued operation (RM'000)	284,578
Weighted average number of ordinary shares in issue ('000)	1,109,620
Basic/diluted EPS for the year from discontinued operation (sen)	<u>25.65</u>

LIST OF PROPERTIES

AS AT 31 DECEMBER 2024

No.	Location	Description of Properties	Existing Use	Estimated Age of Building (Years)	Approximate Area / Size (sq ft)	Tenure	Date of Acquisition	Net Book Value (RM)
1	Lot 3, Persiaran Gerbang Utama, Bukit Jelutong Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan.	A Parcel of Industrial Land	Vacant / Not Applicable	-	174,182 (4 acres)	Freehold	12 May 2009	37,400,000
2	No.49, Jalan Sultan Ismail, 50250 Kuala Lumpur.	A Commercial Land Accommodating An Intermediate Unit 2½ Storey Terraced Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	67	Land Area : 1,302 Build-up : 3,750	Freehold	28 May 2004	5,200,000
3	No. 2, Jalan Hang Lekiu, 50050 Kuala Lumpur.	Corner Unit Four (4) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	26	Land Area : 1,033 Build-up : 4,113	Freehold	3 Oct 2005	5,000,000
4	No. 1, Block 6, Jalil Link, Jalan Jalil Jaya 7, Bukit Jalil, 57000 Kuala Lumpur.	Corner Unit Four (4) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	15	Land Area : 1,787 Build-up : 7,140	Freehold	25 Sep 2007	5,600,000
5	No. 58, Jalan PJS 11/28A, Sunway Metro, Bandar Sunway, 47500 Petaling Jaya, Selangor Darul Ehsan.	Intermediate Unit Four (4) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	28	Land Area : 1,647 Build-up : 6,584	Leasehold (99-Year) Expiring Date : 28 Dec 2092 (H.S.(D) 85458) 11 Mar 2095 (H.S.(M) 9321)	11 May 2006	4,100,000
6	No. 211, Jalan Perkasa 1, Taman Maluri, 55100 Kuala Lumpur.	Corner Unit Four (4) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	41	Land Area : 2,208 Build-up : 8,654	Leasehold (99-Year)	6 Oct 2004	5,600,000
7	No. 213, Jalan Perkasa 1, Taman Maluri, 55100 Kuala Lumpur.	Intermediate Unit Four (4) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	40	Land Area : 1,760 Build-up : 6,864	Expiring Date : 24 May 2076	6 Oct 2004	
8	No. 10, Jalan Tiara 2, Bandar Baru Klang, 41150 Klang, Selangor Darul Ehsan.	Intermediate Unit Four (4) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	32	Land Area : 1,647 Build-up : 6,402	Leasehold (99-Year) Expiring Date : 8 May 2093	24 Aug 2004	1,500,000
9	Lot No.G-17 & G18, Ground Floor, Wisma Cosway, Jalan Raja Chulan, 50200 Kuala Lumpur.	Two (2) adjoining Ground Floor strata Shop Lot	As 7-Eleven Convenience Store	41	Land Area : - Build-up : 602.78	Freehold	30 Sep 2009	1,500,000
10	No. 46, Jalan Permas 10, Bandar Baru Permas Jaya, 81750 Masai, Johor Darul Takzim.	Corner Unit Four (4) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	29	Land Area : 2,583 Build-up : 10,332	Freehold	9 Dec 2008	3,000,000
11	No. 2, Jalan Impian Mahkota 1, Taman Saujana Impian, 43000 Kajang, Selangor Darul Ehsan.	Intermediate Unit Three (3) Storey Shop Office	Lower Ground Floor used as car park and other floors for rental purpose	17	Land Area : 1,604 Build-up : 5,003	Freehold	25 Jan 2006	1,330,000

LIST OF PROPERTIES

AS AT 31 DECEMBER 2024

No.	Location	Description of Properties	Existing Use	Estimated Age of Building (Years)	Approximate Area / Size (sq ft)	Tenure	Date of Acquisition	Net Book Value (RM)
12	No. 20, Jalan Tun Abdul Razak, Susur 6, Taman Suria Muafakat, 80200 Johor Bahru, Johor Darul Takzim.	Intermediate Stratified Unit Three (3) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	14	Land Area : 1,701 Build-up : 4,620	Leasehold (99-Year) Expiring Date : 23 May 2105	11 Dec 2008	1,500,000
13	No. 1, Lorong Sungai Emas, Eden Square, Batu Ferringhi, 11100 Pulau Pinang.	Corner Unit Three (3) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	21	Land Area : 1,604 Build-up : 4,516	Freehold	16 May 1997	1,350,000
14	No. 65, Jalan Badik 1, Taman Sri Tebrau, 80050 Johor Bahru, Johor Darul Takzim.	Intermediate Unit Two (2) Storey Terraced Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	48	Land Area : 1,760 Build-up : 2,916	Freehold	27 Apr 2006	1,600,000
15	No. 7, Jalan SS 12/1B, Subang Jaya, 47500 Petaling Jaya, Selangor Darul Ehsan.	Intermediate Unit Two (2) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	34	Land Area : 1,324 Build-up : 2,408	Freehold	22 Jan 1998	2,100,000
16	No. A-G-08, Block A , Jalan PJU 1A/41B, Diaman Crimson (Pusat Dagangan NZX), 47301 Petaling Jaya, Selangor Darul Ehsan.	Intermediate Unit Ground Floor Shop	As 7-Eleven Convenience Store	17	Land Area : - Build-up : 1,711	Freehold	10 Mar 2005	1,250,000
17	No. 30, Jalan Setia Tropika 1/24, Taman Setia Tropika, Kempas, 81200 Johor Bahru, Johor Darul Takzim.	End Unit Three (3) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	16	Land Area : 1,680 Build-up : 5,040	Freehold	25 Mar 2008	1,800,000
18	No. 1, Jalan Kesidang 3/11, Melaka Mall, Off Jalan Tun Perak, 75300 Melaka.	End Unit Four (4) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	32	Land Area : 2,271 Build-up : 7,928	Freehold	25 Aug 2007	850,000
19	No. 47, Jalan Yang Kalsom, 30250 Ipoh, Perak Darul Ridzuan.	Intermediate Unit Two (2) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	75	Land Area : 1,740 Build-up : 3,040	Freehold	15 Jun 2007	720,000
20	No. D-0-5 & D-0-6, Block D, Ground Floor, Arena Green Apartment, Jalan 1/155A, Bukit Jalil, 57000 Kuala Lumpur.	Two (2) adjoining Ground Floor strata Shop Lot	As 7-Eleven Convenience Store	22	Land Area : - Build-up : 1,378	Freehold	14 April 2009	690,000
21	No.31, Jalan Utama 44, Mutiara Square, Mutiara Rini, 81300 Skudai, Johor Bahru, Johor Darul Takzim.	Intermediate Unit Two (2) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	17	Land Area : 1,647 Build-up : 3,124	Leasehold (991-Year) Expiring Date : 4 Sep 2911	14 May 2009	830,000
22	19, Jalan Sungai Damansara B 32/B, Berjaya Park, Seksyen 32, 40460 Shah Alam, Selangor Darul Ehsan.	Corner Unit Single Storey Shop	As 7-Eleven Convenience Store	19	Land Area : 1,647 Build-up : 1,640	Freehold	17 Aug 2007	585,000
23	No 47, Jalan TTJS/A, Taman Tuanku Jaafar, 71450 Seremban, Negeri Sembilan Darul Khusus.	Corner Unit Two (2) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	25	Land Area : 1,991 Build-up : 3,851	Freehold	22 Apr 1996	520,000

LIST OF PROPERTIES

AS AT 31 DECEMBER 2024

No.	Location	Description of Properties	Existing Use	Estimated Age of Building (Years)	Approximate Area / Size (sq ft)	Tenure	Date of Acquisition	Net Book Value (RM)
24	No 422, Jalan Cenderawasih 2, Taman Paroi Jaya, 70400 Seremban, Negeri Sembilan Darul Khusus.	Intermediate Unit Two (2) Storey Shop Office	Ground floor as 7-Eleven Convenience Store and other floors for rental purpose	41	Land Area : 1,755 Build-up : 3,515	Freehold	29 Sep 2008	440,000
25	No 155, Jalan Bandar Senawang 8, Pusat Bandar Senawang, 70450 Seremban, Negeri Sembilan Darul Khusus.	Intermediate Unit Two (2) Storey Shop Office	For rental purpose	22	Land Area : 1,399 Build-up : 2,800	Leasehold (99-Year) Expiring Date : 4 Dec 2088	21 Jun 1997	370,000
26	No. 2-G & 2-1 , Jalan Aman Sinaria 9, Bandar Tropicana Aman, 42500 Telok Panglima Garang, Selangor Darul Ehsan	Corner Unit Two (2) Storey Shop Office	Vacant / For rental purpose	5	Land Area : 2,626 Build-up : 5,246	Leasehold (91-Year) Expiring Date: 9 Nov 2110	26 Mar 2021	2,850,000
27	No 57, Jalan PBS 14/10, Taman Perindustrian Bukit Serdang, 43300 Seri Kembangan	Intermediate Unit One and a Half (1.5) Storey Shop Office	For production of fresh food products	23	Land Area : 2,002 Build-up : 2,620	Leasehold	01 Jan 2021	1,600,000
28	Lot 1911-A, Jalan KPB7, Kawasan Perindustrian Kampung Baru Balakong, 43300 Seri Kembangan, Selangor	Single Storey Factory And Two (2) Storey Office Building	For production of fresh food products	22	Land Area : 40,957 Build-up : 36,931	Freehold	01 Oct 2022	14,200,000

ADDITIONAL COMPLIANCE INFORMATION

1. Audit and Non-Audit Fees

The amounts of audit and non-audit fees paid to the External Auditors or a firm affiliated to the External Auditors by the Company and the Group for the financial year ended 31 December 2024 are as follows:-

	Group (RM)	Company (RM)
Audit	686,000	149,000
Non-Audit	77,000	18,000

2. Material Contracts

There were no material contracts of the Company and its subsidiaries involving Directors' and major shareholders' interests, either still subsisting at the end of the financial year ended 31 December 2024 or entered into since the end of the previous financial year ended 31 December 2023.

3. Recurrent Related Party Transactions

At the AGM held on 30 May 2024, the Company has obtained shareholder's mandate to allow the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature ("RRPT Mandate") which are necessary for the day-to-day operations of the Group and in the ordinary course of business, with related parties.

The RRPT Mandate is valid until the conclusion of the forthcoming Twelfth Annual General Meeting of the Company to be held on 29 May 2025. The Company proposes to seek renewal of the existing and new RRPT Mandate at its forthcoming Twelfth Annual General Meeting. The renewal of the existing and new RRPT Mandate, if approved by the shareholders, will be valid until the conclusion of the Company's next Annual General Meeting. Details of the RRPT Mandate being sought is provided in the Circular to Shareholders dated 25 April 2025 sent together with this Annual Report.

Pursuant to paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, details of the recurrent related party transactions of a revenue or trading nature entered into during the financial year ended 31 December 2024 by the Company and Group are as follows:-

Related Party	Nature of Transaction	Value of Transaction RM'000
Razer Pay Holdings Pte. Ltd. and its subsidiary companies	Transaction value paid	5,206,257
Razer Pay Holdings Pte. Ltd. and its subsidiary companies	Commission from in-store services	39,606
Razer Pay Holdings Pte. Ltd. and its subsidiary companies	Transaction value received for e-wallet transactions	909,240
Razer Pay Holdings Pte. Ltd. and its subsidiary companies	Commission paid for e-wallet transactions	4,579
Razer Pay Holdings Pte. Ltd. and its subsidiary companies	Transaction value received for thermal paper	517
U Mobile Sdn Bhd	Transaction value paid	171,050
U Mobile Sdn Bhd	Commission from in-store services	8,781
U Mobile Sdn Bhd	Advertisement placement fees	11,875
U Mobile Sdn Bhd	Prepaid incentive receivable	1,115
Securexpress Services Sdn Bhd	Transportation services for delivery of merchandise to 7-Eleven stores	10,226
Bestari Food Trading Sdn Bhd (Formerly known as Berjaya Food Trading Sdn Bhd)	Purchase of goods	526
Bestari Food Trading Sdn Bhd (Formerly known as Berjaya Food Trading Sdn Bhd)	Advertising service income	369

ADDITIONAL COMPLIANCE INFORMATION

3. Recurrent Related Party Transactions (Cont'd)

Pursuant to paragraph 10.09(2)(b) and paragraph 3.1.5 of Practice Note 12 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, details of the recurrent related party transactions of a revenue or trading nature entered into during the financial year ended 31 December 2023 by the Company and Group are as follows (Cont'd):-

Related Party	Nature of Transaction	Value of Transaction RM'000
Nural Enterprise Sdn Bhd	Rental of properties	597
Sun Media Corporation Sdn Bhd	Advertisement placement fees	29
Berjaya Times Square Sdn Bhd	Rental of properties	1,744
Ansa Hotel Sdn Bhd	Rental of property	656
Angsana Gemilang Sdn Bhd	Rental of property	195
Sparkling Hallmark Sdn Bhd	Rental of properties	370
BTS Carpark Sdn Bhd	Parking fees	652
Regal Class Residence Sdn Bhd	Rental of property	130
TREC Holdings Sdn Bhd	Rental of property	105
BLoyalty Sdn Bhd	Loyalty reward fees	35
Berjaya Sampo Insurance Berhad	Rental of property	55
Berjaya Registration Services Sdn Bhd	Share Registration and related services	27
Berjaya Hartanah Berhad	Rental of property	93
Berjaya Waterfront Sdn Bhd	Rental of property	48
Berjaya Hills Resort Berhad	Rental of property	82
Tan Tee Ming & Nerine Tan Sheik Ping	Rental of property	53
Singer (Malaysia) Sdn Bhd	Purchase Chest Freezer & Microwave	62
Aces Parking Sdn Bhd	Parking fees	100
JL Morison (Malaya) Sdn Bhd	Purchase of consumer products	510
Country Farms Sdn Bhd	Purchase of consumer products	847
Ace Print Sdn Bhd	Purchase of consumables	1,734
Berjaya Higher Education Sdn Bhd	Education & staff training services	10
Berjaya Jollibean (M) Sdn Bhd	Purchase of goods	406
Eco Palm Paper Sdn Bhd	Sales of recycled carton boxes & plastics	51

These transactions are based on normal commercial terms that are not more favourable to its related parties than those generally available to the public.

4. Status of Utilization of Proceeds

The status of utilisation of the proceeds from disposal of Caring Group 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	

STATISTICS OF SHAREHOLDINGS

AS AT 28 MARCH 2025

Total Number of Issued Shares : 1,109,066,500 (excluding treasury shares of 62,649,500)
 Class of Shares : Ordinary shares
 Voting Rights : One vote per ordinary share

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held	%
Less than 100	911	42.55	14,185	0.00
100 - 1,000	548	25.59	133,833	0.01
1,001 - 10,000	471	22.00	1,580,157	0.14
10,001 - 100,000	113	5.28	2,773,597	0.25
100,001 - 55,453,325	95	4.44	658,203,501	59.35
55,453,326 and above	3	0.14	446,361,227	40.25
TOTAL	2,141	100.00	1,109,066,500	100.00

SUBSTANTIAL SHAREHOLDERS

The substantial shareholders of 7-Eleven Malaysia Holdings Berhad based on the Register of Substantial Shareholders of the Company and their respective shareholdings as at 28 March 2025 are as follows:-

Substantial Shareholders	Direct	%	Indirect	%
Tan Sri Dato' Seri Vincent Tan Chee Yioun	226,824,163	20.45	88,731,687 ⁽¹⁾	8.00
Classic Union Group Ltd	291,396,226	26.27		
Berjaya Corporation Berhad	18,910,000	1.71	140,435,669 ⁽²⁾	12.66
Berjaya Group Berhad			140,435,669 ⁽³⁾	12.66
Berjaya Land Berhad	39,343,000	3.55	53,422,669 ⁽⁴⁾	4.82
Juara Sejati Sdn Bhd			125,365,669 ⁽⁵⁾	11.30
HQZ Credit Sdn Bhd			60,876,723 ⁽⁶⁾	5.49
Vista Meranti Sdn Bhd			60,876,723 ⁽⁷⁾	5.49
Intan Utilities Sdn Bhd			60,876,723 ⁽⁸⁾	5.49
Premier Merchandise Sdn Bhd			59,776,723 ⁽⁹⁾	5.39
Berjaya Retail Sdn Bhd	18,146,563	1.64	41,630,160 ⁽¹⁰⁾	3.75
Teras Mewah Sdn Bhd			92,765,669 ⁽¹¹⁾	8.36
Tsai, Tzung-Han			291,396,226 ⁽¹²⁾	26.27
Tsai, Hong-Tu			291,396,226 ⁽¹²⁾	26.27

Notes:

- (1) Deemed interested by virtue of his interests in HQZ Credit Sdn Bhd (the ultimate holding company of Berjaya Retail Sdn Bhd, Berjaya True Ascend Sdn Bhd, Berjaya Infrastructure Sdn Bhd and Taktik Nostalgia Sdn Bhd), Berjaya Assets Berhad (the holding company of Berjaya Bright Sdn Bhd), U Telemedia Sdn Bhd, Hotel Resort Enterprise Sdn Bhd and B & B Enterprise Sdn Bhd.
- (2) Deemed interested by virtue of its 100% interest in Berjaya Group Berhad.
- (3) Deemed interested by virtue of its interest in Berjaya Food (International) Sdn Bhd and its 100% interests in Teras Mewah Sdn Bhd, Juara Sejati Sdn Bhd and Regal Class Residence Sdn Bhd.
- (4) Deemed interested by virtue of its interest in Bukit Kiara Resort Berhad, Nural Enterprise Sdn Bhd and Berjaya Vacation Club Berhad and its deemed interest in KDE Recreation Berhad, Berjaya Philippines Inc and Magna Mahsuri Sdn Bhd.

STATISTICS OF SHAREHOLDINGS

AS AT 28 MARCH 2025

Notes:

- (5) Deemed interested by virtue of its interests in Berjaya Land Berhad, Berjaya Capital Berhad (the holding company of Inter-Pacific Securities Sdn Bhd and Inter-Pacific Capital Sdn Bhd) and REDtone Digital Berhad.
- (6) Deemed interested by virtue of its 100% interest in Vista Meranti Sdn Bhd.
- (7) Deemed interested by virtue of its 100% interest in Intan Utilities Sdn Bhd.
- (8) Deemed interested by virtue of its interests in Premier Merchandise Sdn Bhd and Berjaya Infrastructure Sdn Bhd.
- (9) Deemed interested by virtue of its 100% interest in Berjaya Retail Sdn Bhd.
- (10) Deemed interested by virtue of its 100% interests in Berjaya True Ascend Sdn Bhd and Taktik Nostalgia Sdn Bhd.
- (11) Deemed interested by virtue of its interest in Berjaya Land Berhad.
- (12) Deemed interested by virtue of his interest in Classic Union Group Ltd.

DIRECTORS' INTERESTS

The Directors' interests based on the Register of Directors' Shareholdings of the Company as at 28 March 2025 are as follows:-

Number of ordinary shares

Directors	Direct Interest		Indirect Interest	
	No. of Shares Held	%	No. of Shares Held	%
Datuk Wira Farhash Wafa Salvador	-	-	-	-
Dato' Richard Alexander John Curtis	-	-	-	-
Chan Kien Sing	103,584	0.01	-	-
Puan Sri Datuk Seri Rohani Parkash Binti Abdullah	-	-	-	-
Tan U-Ming	621,509	0.06	-	-
Tsai, Tzung-Han	-	-	291,396,226 ⁽¹⁾	26.27
Wong Wai Keong	-	-	-	-
Moyra Binti Ibrahim	-	-	-	-

Note:-

- (1) Deemed interested by virtue of his interest in Classic Union Group Ltd.

STATISTICS OF SHAREHOLDINGS

AS AT 28 MARCH 2025

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

AS AT 28 MARCH 2025

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	No. of Shareholding	% of Issued Capital
1	HSBC Nominees (Asing) Sdn Bhd <i>Exempt an for JPMorgan Chase Bank, National Association (SingaporeJPMPB)</i>	291,396,226	26.27
2.	AMSEC Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Vincent Tan Chee Yioun</i>	98,965,001	8.92
3	CGS International Nominees Malaysia (Tempatan) Sdn Bhd <i>Pledged Securities Account for Vincent Tan Chee Yioun (MY3309)</i>	56,000,000	5.05
4.	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pembangunan Sumber Manusia Berhad</i>	50,000,000	4.51
5.	Cimsec Nominees (Tempatan) Sdn Bhd <i>CIMB For Lim Wee Chai (PB)</i>	44,304,619	3.99
6.	Amsec Nominees (Tempatan) Sdn Bhd <i>RCE Factoring Sdn Bhd for Kong Hon Kong</i>	43,100,000	3.89
7	Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd <i>Berjaya Mutual Berhad for Koperasi Angkatan Tentera Malaysia Berhad</i>	36,764,000	3.31
8.	Pertubuhan Keselamatan Sosial	35,000,000	3.16
9.	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Berjaya Land Berhad (GB-RC3-Conglo2)</i>	29,000,000	2.61
10.	CIMB Group Nominees (Tempatan) Sdn Bhd <i>CIMB Bank Berhad (EDP 2)</i>	26,821,699	2.42
11.	Citigroup Nominees (Asing) Sdn Bhd <i>Exempt An For Citibank New York (Norges Bank 22)</i>	26,575,300	2.40
12.	Amanah Raya Berhad <i>Kumpulan Wang Bersama</i>	26,349,881	2.38
13.	Amsec Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account - Ambank (M) Berhad for Taktik Nostalgia Sdn Bhd</i>	24,200,000	2.18
14.	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Vincent Tan Chee Yioun (8087489)</i>	23,814,229	2.15
15.	Magna Mahsuri Sdn Bhd	23,525,300	2.12
16.	Cimsec Nominees (Tempatan) Sdn Bhd <i>CIMB for Vincent Tan Chee Yioun (PB)</i>	22,801,292	2.06
17.	RHB Nominees (Tempatan) Sdn Bhd <i>OSK Capital Sdn Bhd for Detik Ria Sdn Bhd</i>	16,000,000	1.44
18.	SJ Sec Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account – Al Rajhi Bank for Nural Enterprise Sdn Bhd</i>	15,200,000	1.37
19.	Berjaya Food (International) Sdn Bhd	11,870,000	1.07
20.	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Vincent Tan Chee Yioun (EDG&CBD)</i>	10,700,000	0.96

STATISTICS OF SHAREHOLDINGS

AS AT 28 MARCH 2025

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

AS AT 28 MARCH 2025

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	No. of Shareholding	% of Issued Capital
21.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for U Telemedia Sdn Bhd (MGN-UTS0001M)</i>	10,432,300	0.94
22.	RHB Nominees (Tempatan) Sdn Bhd <i>Bank of China (Malaysia) Berhad Pledged Securities Account for Inter-Pacific Capital Sdn Bhd</i>	10,000,000	0.90
23.	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Berjaya Corporation Berhad (BCBCBM-C2-TL3)</i>	8,510,000	0.77
24.	Inter-Pacific Equity Nominees (Asing) Sdn Bhd <i>Berjaya Philippines Inc</i>	7,892,175	0.71
25.	RHB Nominees (Tempatan) Sdn Bhd <i>Bank of China (Malaysia) Berhad Pledged Securities Account for Inter-Pacific Securities Sdn Bhd</i>	7,800,000	0.70
26.	Phillip Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Berjaya Land Berhad</i>	7,500,000	0.68
27.	CIMB Group Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Berjaya Retail Sdn Bhd (TSVT-RC CBM)</i>	7,435,251	0.67
28.	Amsec Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account - Ambank (M) Berhad for Inter-Pacific Securities Sdn Bhd</i>	7,300,000	0.66
29.	RHB Nominees (Tempatan) Sdn Bhd <i>Lim Wee Chai</i>	7,250,942	0.65
30.	Lim Kuang Yong	7,000,000	0.63
		993,508,215	89.57

Note:-

- (1) Excluding a total of 62,649,500 shares bought back by the Company and retained as treasury shares based on the Register of Depositors dated 28 March 2025.

NOTICE OF TWELFTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twelfth Annual General Meeting ("**12th AGM**") of 7-Eleven Malaysia Holdings Berhad ("**the Company**") will be held at Manhattan V, Level 14, Berjaya Times Square Hotel Kuala Lumpur, No. 1, Jalan Imbi, 55100 Kuala Lumpur, Malaysia on Thursday, 29 May 2025 at 10:00 a.m., for the purpose of considering and if thought fit, passing with or without modifications the resolutions setting out in this notice.

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and the Auditors' thereon. [Please refer to Explanatory Note (i)]
2. To approve the payment of Directors' fees for an amount up to RM778,000/- payable to the Non-Executive Directors of the Company on a monthly basis for the period from 30 May 2025 until the next Annual General Meeting of the Company to be held in year 2026. **Ordinary Resolution 1**
3. To approve the benefits payable to the Non-Executive Directors for an amount of up to RM120,000/- for the period from 30 May 2025 until the next Annual General Meeting of the Company to be held in year 2026. **Ordinary Resolution 2**
4. To re-elect the following Directors who retire by rotation in accordance with Article 99 of the Company's Constitution and being eligible, have offered themselves for re-election:-
(1) Mr. Chan Kien Sing
(2) Mr. Tsai, Tzung-Han
(3) Dato' Richard Alexander John Curtis **Ordinary Resolution 3**
Ordinary Resolution 4
Ordinary Resolution 5
5. To re-appoint Messrs. Ernst & Young PLT as the Company's Auditors for the ensuing year and to authorise the Board of Directors to fix their remuneration. **Ordinary Resolution 6**

AS SPECIAL BUSINESS

To consider and, if thought fit, with or without any modification, to pass the following Ordinary Resolutions:-

6. **ORDINARY RESOLUTION**
- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 **Ordinary Resolution 7**

"THAT, subject always to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the approvals of the relevant governmental/ regulatory authorities, if applicable, the Directors be and are hereby empowered, pursuant to the Companies Act 2016, to issue shares in the capital of the Company at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being; **AND THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities; **AND FURTHER THAT** such authority shall commence immediately upon passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.

THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016 and Clause 55 of the Company's Constitution, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of new shares pursuant to this mandate by the Company.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

NOTICE OF TWELFTH ANNUAL GENERAL MEETING

7. ORDINARY RESOLUTION

- PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Ordinary
Resolution 8

"THAT, subject to the provisions of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements, approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.3 of the Circular/Statement to Shareholders dated 25 April 2025 ("**Proposed Mandate**") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until":-

- (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the AGM at which such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("**the Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to such transactions as authorised by this resolution."

8. ORDINARY RESOLUTION

- PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

Ordinary
Resolution 9

"THAT, subject always to the Companies Act 2016 ("**the Act**"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company ("**7-Eleven Holdings Shares**") through Bursa Malaysia Securities Berhad and to take all such steps as are necessary (including the opening and maintaining of central depositories accounts under the Securities Industry (Central Depositories Act, 1991) and enter into any agreement, arrangement and guarantee with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any condition, modification, revaluation, variation and/or amendment (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the existing total number of issued shares in the ordinary share capital of the Company;
2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;

NOTICE OF TWELFTH ANNUAL GENERAL MEETING

3. the authority shall commence immediately upon passing of this ordinary resolution until:-
 - (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the AGM at which such resolution was passed, at which time it will lapse unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

AND THAT upon completion of the purchase(s) of the 7-Eleven Holdings Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any 7-Eleven Holdings Shares so purchased by the Company in the following manner:-

- (a) cancel all the 7-Eleven Holdings Shares so purchased; or
- (b) retain all the 7-Eleven Holdings Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or
- (c) retain part thereof as treasury shares and subsequently cancelling the balance; or
- (d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Bursa Malaysia Securities Berhad and any other relevant authority for the time being in force."

9. To transact any other business of which due notice shall have been given in accordance with the Act.

BY ORDER OF THE BOARD

TAI YIT CHAN (SSM PC No. 202008001023) (MAICSA 7009143)
TIA HWEI PING (SSM PC No. 202008001687) (MAICSA 7057636)
Company Secretaries

Selangor Darul Ehsan
25 April 2025

NOTES:

Proxy

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 May 2025 shall be eligible to attend the Meeting.
2. A member entitled to attend and vote at the 12th AGM is entitled to appoint a proxy or proxies to attend and vote on his behalf. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation save that the proxy must be of full age.
3. A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, he shall specify the proportion of his holdings to be represented by each proxy, failing which the appointment shall be invalid.
4. Where a member is an authorised nominee as defined under the Central Depositories Act, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.

NOTICE OF TWELFTH ANNUAL GENERAL MEETING

6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation either under its common seal, or the hand of its officer or its duly authorised attorney.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 12th AGM or adjourned General Meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form

In the case of an appointment made in hard copy form, this Form of Proxy must be deposited at the Company's Share Registrar's office situated at Berjaya Registration Services Sdn. Bhd, 09-27 Level 9, Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur.
 - (ii) By electronic forms

In the case of an appointment made via electronic transmission, the Form of Proxy can be electronically lodged with the Company's Share Registrar via Berjaya Registration Portal at <https://www.berjayaregistration.com.my>. Please refer to the Administrative Guide for the procedures to lodge the Form of Proxy electronically.
8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions at the 12th AGM shall be put to vote by way of poll.

Explanatory Notes on Ordinary and Special Business

- (i) Item 1 of the Agenda

This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
- (ii) Item 2 of the Agenda – Payment of Directors' fees for the period from 30 May 2025 until the next Annual General Meeting of the Company to be held in year 2026

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the Directors of a Listed Company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 12th AGM.

In determining the estimated Directors' benefits to the Non-Executive Directors of the Company, the Board has considered various factors including the current Board size and provisional sum as a contingency for future appointment of Directors on the Board.
- (iii) Item 3 of the Agenda – Benefits payable to the Non-Executive Directors

The meeting allowances are calculated based on the number of scheduled Board and Committee meetings for the said period and assuming that all Non-Executive Directors will hold office from 30 May 2025 to the date of the next Annual General Meeting.

In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next Annual General Meeting for additional meeting allowance to meet the shortfall.
- (iv) Items 4 of the Agenda - Re-election of Directors

The profiles of the Directors who are standing for re-election as per Agenda item no. 4 is set out in the Board of Directors' profile of the Annual Report 2024.

The Board has through the Nominating Committee, considered their assessment of and agreed that they meet the criteria as prescribed by Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time commitment to effectively discharge their role as Directors and recommend the Directors who are standing for re-election based on the following justifications:-

 - (a) Ordinary Resolution 3 – Re-election of Chan Kien Sing as Non-Independent Non-Executive Director

Mr. Chan Kien Sing was appointed to our Board first as Non-Independent Executive Director on 21 August 2013 and was then redesignated as Non-Independent Non-Executive Director on 22 April 2015. He has vast experience in strategic corporate planning and structuring, merger & acquisitions, initial public offerings, audit/accountancy and managing business operations. He has also exercised his due care and carried out his professional duties proficiently during his tenure as Non-Independent Non-Executive Director of the Company.

NOTICE OF TWELFTH ANNUAL GENERAL MEETING

(iv) Items 4 of the Agenda - Re-election of Directors (Cont'd)

(b) Ordinary Resolution 4 – Re-election of Tsai, Tzung-Han as Non-Independent Non-Executive Director

Mr. Tsai, Tzung-Han has vast experience in investment and business development in the finance industry. He has also exercised his due care and carried out his professional duties proficiently during his tenure as Non-Independent Non-Executive Director of the Company.

(c) Ordinary Resolution 5 – Re-election of Dato' Richard Alexander John Curtis as Deputy Chairman, Senior Independent Non-Executive Director

Dato' Richard Alexander John Curtis was appointed to our Board as Deputy Chairman, Independent Non-Executive Director on 25 November 2021. He was subsequently redesignated as Senior Independent Non-Executive Director on 20 April 2022. He demonstrated his independence through his engagement in the meetings by providing external perspectives on the business and constructively feedback to the Company in developing the Group's business strategies. He has also exercised his due care and carried out his professional duties proficiently during his tenure as the Deputy Chairman, Senior Independent Non-Executive Director of the Company.

(v) Item 6 of the Agenda – Authority to Issue Shares pursuant to the Companies Act 2016

The Company wishes to renew the mandate on the authority to issue shares pursuant to the Companies Act 2016 at the 12th AGM of the Company (hereinafter referred to as the **"General Mandate"**).

The Company had been granted a general mandate by its shareholders at the Eleventh Annual General Meeting of the Company held on 30 May 2024 (hereinafter referred to as the **"Previous Mandate"**).

As at the date of this Notice, the Company has not issued any new ordinary shares pursuant to the Previous Mandate granted by the shareholders and hence, no proceeds were raised therefrom.

The proposed resolution, if passed, will provide flexibility to the Directors of the Company to undertake any possible fund raising activities, including but not limited to placement of shares for the purpose of funding Company's future investment projects, working capital, acquisitions and/or such other purposes to such persons at any time as the Directors may deem fit, without having to convene a general meeting, provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

(vi) Item 7 of the Agenda – Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed resolution, if passed, will allow the Group to enter into Recurrent Related Party Transactions of a revenue or trading nature pursuant to the provisions of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Please refer to the Circular/Statement to Shareholders dated 25 April 2025 for further information.

(vii) Item 8 of the Agenda – Proposed Renewal of Authority for the Company to purchase its own shares

The proposed resolution, if passed, will allow the Company to purchase its own shares up to 10% of the total issued share capital of the Company by utilising the funds allocated which shall not be exceed the total retained profits of the Company. The Board of Directors may resolve to cancel all the shares purchased, retain all the shares purchased as treasury shares, or retain part thereof as treasury shares and subsequently cancelling the balance.

Please refer to the Circular/Statement to Shareholders dated 25 April 2025 for further information.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 12th AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 12th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 12th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the **"Purposes"**), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

7-ELEVEN MALAYSIA HOLDINGS BERHAD**[Registration No. 201301028701 (1058531-W)]****(Incorporated in Malaysia)****Form of Proxy****CDS Account No.****Number of ordinary shares**

I/We _____ NRIC No./Passport No./Company No. _____

of _____

being a member/members of 7-Eleven Malaysia Holdings Berhad ("the Company") hereby appoint Mr/Ms _____

_____ NRIC No./Passport No. _____

of _____

or failing him/her, Mr/Ms _____ NRIC No./Passport No. _____

of _____

or failing him/her, the Chairman of the Meeting as *my/*our proxy to vote for *me/*us and on *my/*our behalf at the Twelfth Annual General Meeting ("12th AGM") of the Company to be held at Manhattan V, Level 14, Berjaya Times Square Hotel Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur, Malaysia on Thursday, 29 May 2025 at 10.00 a.m. and at any adjournment thereof.

The Proportion of *my/*our holding to be represented by *my/*our proxies are as follows:

Proxy 1	%	Proxy 2	%	100%
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Please indicate with an "X" in the spaces provided below on how you wish your vote to be casted. If no specific direction as to voting is given, the proxy shall vote as he/she thinks fit or, at his/her discretion, abstain from voting.

Item	Agenda			
1.	To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and the Auditors thereon.			
Ordinary Business		Resolution	For	Against
2.	To approve the payment of Directors' fees for an amount of up to RM778,000/- payable to the Non-Executive Directors of the Company on a monthly basis for the period from 30 May 2025 until the next Annual General Meeting of the Company to be held in year 2026.	1		
3.	To approve the benefits payable to the Non-Executive Directors for an amount of up to RM120,000/- for the period from 30 May 2025 until the next Annual General Meeting of the Company to be held in year 2026.	2		
4.	To re-elect Chan Kien Sing who retires by rotation in accordance with Article 99 of the Company's Constitution and who being eligible, has offered himself for re-election.	3		
5.	To re-elect Tsai, Tzung-Han who retires by rotation in accordance with Article 99 of the Company's Constitution and who being eligible, has offered himself for re-election.	4		
6.	To re-elect Dato' Richard Alexander John Curtis who retires by rotation in accordance with Article 99 of the Company's Constitution and who being eligible, has offered himself for re-election.	5		
7.	To re-appoint Messrs. Ernst & Young PLT as the Company's Auditors for the ensuing year and to authorise the Board of Directors to fix their remuneration.	6		
Special Business				
8.	Authority to Issue Shares pursuant to the Companies Act 2016.	7		
9.	Proposed Renewal of and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	8		
10.	Proposed Renewal of Authority for the Company to Purchase its own Shares.	9		

Dated this day _____ of _____ 2025

Signature/Common Seal of Shareholder
[*Delete if not applicable]**Notes:-**

- In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 May 2025 shall be eligible to attend the Meeting.
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- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions at the 12th AGM shall be put to vote by way of poll.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and /or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the 12th AGM dated 25 April 2025.

Fold this flap for sealing

AFFIX
STAMP

7-ELEVEN MALAYSIA HOLDINGS BERHAD
Registration No. 201301028701 (1058531-W)

c/o Berjaya Registration Services Sdn. Bhd.
Registration No. 199401008064 (293743-X)
09-27 Level 9,
Berjaya Times Square, No.1 Jalan Imbi,
55100 Kuala Lumpur,
Wilayah Persekutuan, Malaysia

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1st fold here

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