

Berjaya Retail Berhad
(Company no: 859832-P)

Date: 13 August 2010

Subject: **UNAUDITED SECOND QUARTER RESULTS FOR THE
PERIOD ENDED 30 JUNE 2010**

<u>Table of contents</u>	Page
Condensed Consolidated Statement of Financial Position	1- 2
Condensed Consolidated Income Statement	3
Condensed Consolidated Statement of Comprehensive Income	4
Condensed Consolidated Statement of Changes in Equity	5
Condensed Consolidated Cash Flow Statement	6
Notes to the Interim Financial Report	7 - 11
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad ('Bursa Securities LR')	12 - 15

UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2010
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	UNAUDITED	
		As at 30-6-2010 RM'000	As at 31-12-2009 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		165,100	170,399
Investment properties		10,420	10,527
Other investments		286,788	61,810
Deferred tax assets		15,000	15,000
Intangible assets		701	726
Prepaid lease premium		2,875	2,874
		<u>480,884</u>	<u>261,336</u>
Current assets			
Inventories		135,359	121,541
Trade and other receivables		401,737	408,963
Tax recoverable		326	835
Cash and bank balances		87,204	21,833
		<u>624,626</u>	<u>553,172</u>
TOTAL ASSETS		<u>1,105,510</u>	<u>814,508</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Ordinary share capital		267,500	267,500
Irredeemable convertible preference shares ('ICPS') - equity component		416,766	416,766
Reserves		(407,216)	(649,100)
Total equity		<u>277,050</u>	<u>35,166</u>
Non-current liabilities			
ICPSs - liability component		58,806	58,665
Long term borrowings	B9	14,084	81,894
Hire purchase and lease creditors (non-current portion)		8,814	9,373
Deferred taxation		12,591	12,591
Provisions		8,412	7,673
		<u>102,707</u>	<u>170,196</u>
Current liabilities			
Trade and other payables		415,352	359,637
Short term borrowings	B9	309,989	249,162
Taxation		412	347
		<u>725,753</u>	<u>609,146</u>
Total liabilities		<u>828,460</u>	<u>779,342</u>
TOTAL EQUITY AND LIABILITIES		<u>1,105,510</u>	<u>814,508</u>
Basic net assets per share (RM)		(0.26)	(0.71)
Dilutive net assets per share (RM)		0.19	0.02

Notes:

- (a) The net assets per share is calculated based on the following :
- Basic net assets per share* is calculated based on:
Total assets less total liabilities (including both the equity and liability component of ICPS) divided by
number of ordinary shares in issue as at the balance sheet date.
- Dilutive net assets per share* is calculated based on: *Total assets less total liabilities (including the*
liability component of ICPS) divided by the number of ordinary shares in issue and potential number of ordinary
shares to which the ICPS can be converted at the balance sheet date.

- (b) The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2009 in the Prospectus of the Company dated 30 June 2010 and the accompanying explanatory notes which form an integral part of this interim financial report.
- (c) This is the first interim financial report of the Group announced in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") after the Company completed its acquisition of 7-Eleven Malaysia Sdn Bhd and Singer (Malaysia) Sdn Bhd ('the Business combination') on 14 June 2010. The comparative figures are presented for illustrative purpose only using the merger accounting method whereby all the combining entities are included as if the merger had been effected throughout the current and previous years.

The accompanying notes form an integral part of this interim financial report.

UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2010
CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Current Quarter		Financial Year To Date	
		3 months ended		6 months ended	
		30-6-2010 RM'000	30-6-2009 RM'000	30-6-2010 RM'000	30-6-2009 RM'000
REVENUE		418,918	363,671	834,733	731,695
PROFIT FROM OPERATIONS		12,005	12,691	29,742	23,840
Finance costs		(4,774)	(6,323)	(10,207)	(12,852)
Results arising from investing activities *		2,761	5,068	6,703	7,627
PROFIT BEFORE TAXATION		9,992	11,436	26,238	18,615
TAXATION	B5	(2,394)	(2,253)	(5,614)	(3,255)
PROFIT AFTER TAXATION		7,598	9,183	20,624	15,360
PROFIT ATTRIBUTABLE TO: Equity holders of the Company		7,598	9,183	20,624	15,360
EARNINGS PER SHARE (SEN) - Basic	B13	0.51	0.61	1.38	1.03
DIVIDEND PER SHARE (SEN)	B12	Nil	Nil	Nil	Nil

* Results arising from investing activities comprise of interest income and other investment related income less investment related expenses.

Notes:

- (a) The Condensed Consolidated Income Statement should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2009 in the Prospectus of the Company dated 30 June 2010 and the accompanying explanatory notes which form an integral part of this interim financial report.
- (b) This is the first interim financial report of the Group announced in compliance with the Listing Requirements of Bursa Securities after the Business combination on 14 June 2010. The comparative figures which are presented for illustrative purpose only using the merger accounting method whereby all the combining entities are included as if the merger had been effected throughout the current and previous years.

The accompanying notes form an integral part of this interim financial report.

UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2010
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Current Quarter		Financial Year To Date	
	3 months ended		6 months ended	
	30-6-2010	30-6-2009	30-6-2010	30-6-2009
	RM'000	RM'000	RM'000	RM'000
PROFIT AFTER TAXATION	7,598	9,183	20,624	15,360
OTHER COMPREHENSIVE INCOME				
Gain on changes in fair value of available-for-sale investments	33,488	-	33,488	-
TOTAL COMPREHENSIVE INCOME FOR THE QUARTER	41,086	9,183	54,112	15,360
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Equity holders of the Company	41,086	9,183	54,112	15,360

Notes:

- (a) The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Proforma Consolidated Financial Statements and the Accountants' Report for the financial year ended 31 December 2009 in the Prospectus of the Company dated 30 June 2010 and the accompanying explanatory notes which form an integral part of this interim financial report.
- (b) This is the first interim financial report of the Group announced in compliance with the Listing Requirements of Bursa Securities after the Business combination on 14 June 2010. The comparative figures which presented for illustrative purpose only using the merger accounting method whereby all the combining entities are included as if the merger had been effected throughout the current and previous years.

The accompanying notes form an integral part of this interim financial report.

UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2010
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company					Total Equity RM'000
	Ordinary Share Capital RM'000	Irredeemable Convertible Preference Shares (ICPS) RM'000	Non-distributable		Distributable	
			Merger Deficit RM'000	FRS 139 Reserve RM'000	Retained Profits RM'000	
At 01 January 2010						
Pre-merger reserves of subsidiary companies	-	-	-	-	40,900	40,900
<i>Merger related items :-</i>						
Issue of shares for acquisition of subsidiaries	267,500	481,216	-	-	-	748,716
ICPS - liability portion	-	(58,665)	-	-	-	(58,665)
Deferred tax adjustment on ICPS	-	(5,785)	-	-	-	(5,785)
Merger Deficit	-	-	(690,000)	-	-	(690,000)
Balance B/F	267,500	416,766	(690,000)	-	40,900	35,166
Effects of adopting FRS 139 (Note A1 [d])	-	-	-	187,772	-	187,772
	267,500	416,766	(690,000)	187,772	40,900	222,938
Total comprehensive income for the 6 months period	-	-	-	33,488	20,624	54,112
At 30 June 2010	267,500	416,766	(690,000)	221,260	61,524	277,050

Notes:

- (a) The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2009 in the Prospectus of the Company dated 30 June 2010 and the accompanying explanatory notes which form an integral part of this interim financial report.
- (b) This is the first interim financial report of the Group announced in compliance with the Listing Requirements of Bursa Securities after the Business combination on 14 June 2010. The comparative figures are presented for illustrative purpose only using the merger accounting method whereby all the combining entities are included as if the merger had been effected throughout the current and previous years.

UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2010
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6 months ended	
	30-6-2010	30-6-2009
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from operations	836,832	N/A
Payments for operating expenses (including taxes)	(749,140)	N/A
Net cash generated from operating activities	87,692	N/A
CASH FLOW FROM INVESTING ACTIVITIES		
Receipts from investments (include interest received, sales of property, plant and equipment)	6,769	N/A
Payment for investments (include acquisition of property, plant and equipment and other investments)	(7,990)	N/A
Net cash used in investing activities	(1,221)	N/A
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of bank borrowings	(4,096)	N/A
Other payments for financing activities	(14,117)	N/A
Net cash used in financing activities	(18,213)	N/A
INCREASE IN CASH AND CASH EQUIVALENTS	68,258	N/A
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	15,271	N/A
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	83,529	N/A

Cash and cash equivalents at the end of the financial period comprises the following:-

	RM'000	RM'000
Cash and bank balance	87,204	N/A
Bank overdrafts (included in short term borrowings)	(3,675)	N/A
	83,529	N/A

Notes:

- (a) The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants' Report for the financial year ended 31 December 2009 in the Prospectus of the Company dated 30 June 2010 and the accompanying explanatory notes which form an integral part of this interim financial report.
- (b) This is the first interim financial report of the Group announced in compliance with the Listing Requirements of Bursa Securities after the Business combination on 14 June 2010. As such, no comparative figures are presented.

UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2010
NOTES TO THE INTERIM FINANCIAL REPORT

A1 Basis of Preparation

The interim financial report is not audited and has been prepared in compliance with Financial Reporting Standards (FRS)134, Interim Financial Reporting.

The interim financial report should be read in conjunction with the proforma consolidated financial information and the Accountants' Report for the financial year ended 31 December 2009 as disclosed in the Prospectus of the Company dated 30 June 2010 and the accompanying explanatory notes attached to this interim financial report.

In conjunction with the Company's listing on the Main Market of Bursa Securities, the Company acquired the entire issued and paid-up capital of Singer (Malaysia) Sdn Bhd ('Singer') and 7-Eleven Malaysia Sdn Bhd ('7-Eleven'). The acquisitions of these two subsidiaries are accounted for using the merger method as they involved entities under common control.

Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in the quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2009, except for the adoption of the following new and revised Financial Reporting Standards (FRSs), Amendments to FRSs and IC interpretations which are relevant to the Group, with effect from 1 January 2010:-

		Effective for financial periods beginning on or after
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements (revised)	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 117	Leases	1 January 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives	1 January 2010
Improvements to FRSs	Improvements to FRSs (2009)	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010

		Effective for financial periods beginning on or after
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

Other than the adoption of FRS 139, the application of the FRSs, Amendments to FRSs and IC Interpretations did not result in any significant changes in the accounting policies but only impacted the format and presentation of the financial statements of the Group.

(a) FRS 8: Operating Segments

FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance.

The Group presents its segment information based on its business segments for its internal reporting purposes and the format, the basis of measurement of segment results, segment assets and segment liabilities are the same as that for external reporting purposes.

As this is a disclosure standard, there is no impact on the financial position or financial performance of the Group.

(b) FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now only include details of transactions with owners. All non-owners changes in equity are presented as a single line labelled as total comprehensive income.

The standard also introduces the statement of comprehensive income; presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present in two linked statements. In addition, the adoption of the standard has resulted in consolidated balance sheet now renamed as consolidated statement of financial position.

There is no impact on the results of the Group since these changes affects only the presentation of items of income and expenses.

(c) Amendments to FRS 117: Leases 'Improvements to FRSs (2009)

The Amendment clarifies the classification of leases of land and requires entities with leases of land to reassess the classification of leasehold land as finance lease or operating lease based on the extent of risks and rewards associated with the land. Leasehold land which in substance is a finance lease will be reclassified to property, plant and equipment. The adoption of this Amendment has resulted in a change in accounting policy which is applied retrospectively in accordance with the transitional provisions. However the said changes do not have material effect on the results of the Group.

(d) FRS 139: Financial Instruments - Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the reporting date reflects the designation of the financial instruments.

Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, available-for-sale ("AFS") financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include short term funds, trade and other receivables and investments available-for-sale.

i) Financial, trade and other receivables

Prior to the adoption of FRS 139, financial, trade and other receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, these receivables are initially measured at fair value plus transaction costs and subsequently at amortised cost using effective interest rate (EIR) method. Gain and losses arising from the derecognition of the receivables, EIR amortisation and impairment losses are recognised in the income statement.

ii) Investment available-for-sale

Prior to the adoption of FRS 139, non-current investments were accounted for at cost less impairment loss (if any). Under FRS 139, investments available-for sale are measured at fair value. Equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Changes in fair values of equity investment of which fair value can be reliably measured are recognised in other comprehensive income, together with the related currency translation differences, until the investments are disposed of or until the investments are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income are included in the income statement.

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings at amortised cost, or as derivatives designated as hedging instruments in an effective hedge as appropriate. The Group's financial liabilities include trade and other payables and borrowings. Under FRS 139, these financial liabilities are measured initially at fair value and subsequently carried at amortised cost using EIR method.

Financial Impact

In accordance with the transitional provisions for first time adoption of FRS 139, the above changes are applied prospectively and the comparatives as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the statement of financial position as at 1 January 2010.

	As Previously reported RM'000	Effects of adoption of FRS 139 RM'000	As restated RM'000
Other investments - available-for-sale	61,810	191,490	253,300
Financial receivables	408,963	(3,718)	405,245
FRS 139 reserve	-	187,772	187,772

In addition, the adoption of FRS 139 have the effect of decreasing the profit before tax for the current financial period by RM733,000 mainly arising from the use of EIR method for recognition of income from financial receivables.

A2 Seasonal or Cyclical Factors

The Group's operations are generally affected by major festive seasons. In addition, the revenue of 'consumer durables segment' is affected by sales campaign in certain period of the year.

A3 Changes in Accounting Estimates

There were no changes in estimates that have had a material effect in the current quarter results.

A4 Unusual Items Affecting the Financial Statements

There was no unusual items during the financial period under review.

A5 Debt and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial period ended 30 June 2010 except for the following:-

- (a) On 14 June 2010, the Company issued 60,000,000 new ordinary shares of RM0.50 each and 809,242,000 new units of 10 years irredeemable convertible preference shares ("ICPS") of RM0.50 each as part of the consideration for the acquisition of the entire paid-up share capital of 7-Eleven.
- (b) On 14 June 2010, the Company issued 475,000,000 new ordinary shares of RM0.50 each and 153,190,000 new units of ICPS of RM0.50 each as part of the consideration for the acquisition of the entire paid-up share capital of Singer.

A6 Dividend Paid

There was no dividend paid by the Company during the financial period under review.

A7 Segmental Information

Segmental information for the 6 months ended 30 June 2010:

REVENUE	External	Inter- segment	Total
	RM'000	RM'000	RM'000
Marketing of consumer durables	192,584	68	192,652
Convenience stores and retails	641,896	-	641,896
Others	253	-	253
Elimination: Intersegment Revenue	-	(68)	(68)
Total revenue	<u>834,733</u>	<u>-</u>	<u>834,733</u>
RESULTS			RM'000
Marketing of consumer durables			18,828
Convenience stores and retails			11,336
Others			(49)
			<u>30,115</u>
Unallocated corporate expenses			(373)
Profit from operations			29,742
Finance costs			(10,207)
Results arising from investing activities			6,703
Profit before taxation			26,238
Taxation			(5,614)
Profit after taxation			<u>20,624</u>

A8 Subsequent Events

Save as disclosed, there were no significant events since the end of this current quarter up to the date of this announcement.

A9 Changes in the Composition of the Group during the financial quarter

There was no change in the composition of the Group for the current quarter including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except the following:-

- (a) On 14 June 2010, the Company completed the acquisition of the entire issued and paid-up share capital of 7-Eleven comprising 35 million ordinary shares of RM1.00 each for a purchase consideration of RM600 million to be settled via the issuance of 60 million new ordinary shares of RM0.50 each, 809.242 million new units of ICPS of RM0.50 each and the assumption of a sum of RM165.379 million debts owing by Premier Merchandise Sdn Bhd (the vendor) of 7-Eleven.
- (b) On the same date, the Company also completed the acquisition of the entire issued and paid-up share capital of Singer comprising 235 million ordinary shares of RM1.00 each for purchase consideration of RM360 million to be settled via the issuance of 475 million new ordinary shares of RM0.50 each, 153.190 million new units of ICPS of RM0.50 each and the assumption of a sum of RM45.905 million debts owing by Berjaya Corporation Group (the vendor group of companies), to Singer.

A10 Changes in Contingent Liabilities or Contingent Assets

There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet date (as disclosed in the prospectus dated 30 June 2010) other than the contingent liabilities arose from consolidation of the two new subsidiaries 7-Eleven and Singer.

UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2010
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LR

B1 Review of Performance

Current quarter vs preceding year same quarter

For the quarter ended 30 June 2010, the Group reported a pre-tax profit and revenue of RM9.992 million and RM418.918 million respectively. As the Company only completed the Business combination on 14 June 2010, there are no consolidated results available for the period before that date. However, based on the aggregate results of the subsidiary companies, the combined group pre-tax profit and revenue for the quarter ended 30 June 2009 were RM11.436 million and RM363.671 million respectively. The increase in revenue was mainly due to improved sales of motorcycles and electrical products by the 'Consumer Durables' segment (Singer) and opening of new convenience stores and improved average day sales per store (by 7-Eleven). The lower pre-tax profit was mainly due to higher store maintenance and staff costs as well as higher operating expenditure incurred.

Current period vs preceding year same period

For the six (6) months period ended 30 June 2010, the Group registered a consolidated pre-tax profit of RM26.238 million and consolidated revenue of RM834.733 million as compared to the combined group pre-tax profit of RM18.615 million and combined group revenue of RM731.695 million for the corresponding period in the previous year. The increase in revenue was mainly due to improved sales of motorcycles and electrical products by the 'Consumer Durables' segment (Singer) and opening of new convenience stores and improved average day sales per store (by 7-Eleven). The increase in pre-tax profit was mainly due to higher sales coupled with lower finance cost.

B2 Variation of Results against Preceding Quarter

Second quarter vs first quarter

For the quarter ended 30 June 2010, the Group reported a consolidated pre-tax profit of RM9.992 million and consolidated revenue of RM418.918 million, as compared to the combined group pre-tax profit of RM16.246 million and combined group revenue of RM415.815 million for the preceding quarter. The lower pre-tax profit was mainly due to higher operating expenditure and incurrence of refurbishment cost on certain stores. The increase in revenue was mainly attributed to increase in number of convenience stores.

B3 Current Year Prospects

Barring any unforeseen circumstances, the Board of Directors is of the opinion that the performance of the Group for the remaining two quarters will remain satisfactory. For the financial year ending 31 December 2010, the Board is confident that the Group will be able to maintain at least the same level of consolidated profit after tax as that of the previous financial year as disclosed in the Prospectus of the Company dated 30 June 2010.

B4 Variance between Actual Profit and Forecast Profit

There was no profit forecast or profit guarantee given by the Company for the current interim period under review.

B5 Taxation

	For the current quarter RM'000	Financial Year to date RM'000
<i>Group:-</i>		
Based on the results for the period:-		
- Malaysian taxation	<u>2,394</u>	<u>5,614</u>

B6 Sale of Unquoted Investments and/or Properties

There were no profits/(losses) on sales of unquoted investment and properties for the current quarter under review.

B7 Purchase and/or Disposal of Quoted Securities

(a) There were no purchase or disposal of quoted securities for the current quarter.

(b) Particulars of investments in quoted securities (included in other investments):-

	At the end of the current quarter
	RM'000
(i) at cost	61,109
(ii) at carrying value/book value	286,087
(iii) at market/fair value	<u>286,087</u>

B8 Status of Corporate Proposals

Initial Public Offering ('IPO')

The Company issued its Prospectus on 30 June 2010 in conjunction with its listing of and quotation of its entire issued and paid-up share capital on the Main Market of Bursa Securities and the IPO involves, inter alia:-

- (a) The acquisition of the entire issued and paid-up share capital of 7-Eleven for a purchase consideration of RM600 million which was satisfied in the following manner:-
- issuance of 60 million new ordinary shares at an issue price of RM0.50 each;
 - issuance of 809.242 million new units of ICPS at an issue price of RM0.50 each; and
 - assumption by the Company of a sum of RM165.379 million due from Premier Merchandise Sdn Bhd (the vendor) and its holding companies, to 7-Eleven Group.
- (b) The acquisition of the entire issued and paid-up share capital of Singer for a purchase consideration of RM360 million which was satisfied in the following manner:-
- issuance of 475 million new ordinary shares at an issue price of RM0.50 each;
 - issuance of 153.190 million new units of ICPS at an issue price of RM0.50 each; and
 - assumption by the Company of a sum of RM45.905 million due from Berjaya Corporation Berhad ('BCorporation') Group (the vendor group of companies), to Singer Group.

Both the above acquisitions were completed on 14 June 2010.

- (c) Cosway Corporation Berhad, a wholly owned subsidiary of BCorporation being the Offeror will offer for sale a minimum of 71,875,000 and up to 101,875,000 ordinary shares and 5,000,000 ICPS at the offer price of RM0.50 each, to be allocated in the following manner:-
- (i) A minimum of 61,875,000 and up to 91,875,000 ordinary shares of the Company reserved for bumiputera investors approved by the Ministry of International Trade and Industry;
 - (ii) 5,000,000 ordinary shares of the Company for application by the bumiputera public;
 - (iii) 3,000,000 ordinary shares of the Company reserved for application by the minority shareholders of BCorporation;
 - (iv) 2,000,000 ordinary shares of the Company available for application by the Malaysian public; and
 - (ii) 5,000,000 ICPS available for application by the Directors of our Company and BCorporation as well as eligible employees of our Group and BCorporation Group.
- (d) The IPO was closed on 22 July 2010 and the Company's entire issued and fully paid-up share capital will be listed on the Main Market of Bursa Malaysia Securities Berhad on 16 August 2010.

B9 Group Borrowings and Debts Securities

Group borrowings and debt securities at the end of current quarter:-

	At end of current quarter RM'000
Short term borrowings:-	
<u>Secured</u>	
Denominated in Ringgit Malaysia (RM)	125,555
<u>Unsecured</u>	
Denominated in Ringgit Malaysia (RM)	184,434
	<u>309,989</u>
Long term borrowings:-	
<u>Secured</u>	
Denominated in Ringgit Malaysia (RM)	14,084
Total borrowings	<u>324,073</u>

B10 Off Balance Sheet Financial Instruments

There is no off balance sheet financial instruments as at the date of this announcement.

B11 Material Litigation

There were no material litigations for the current financial period to date other than as disclosed in the Prospectus of the Company dated 30 June 2010.

B12 Dividend

There was no dividend proposed or declared in the current quarter under review.

B13 Earnings Per Share

The earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue as follows:-

	<u>Current Quarter</u>		<u>Financial Year To Date</u>	
	3 months ended		6 months ended	
	30-6-2010	30-6-2009	30-6-2010	30-6-2009
Profit attributable to equity holders of the Company (RM'000)	7,598	9,183	20,624	15,360
Weighted average number of ordinary shares in issue (inclusive of mandatorily convertible instruments) ['000]	1,497,432	1,497,432	1,497,432	1,497,432
Basic earnings per share (sen)	<u>0.51</u>	<u>0.61</u>	<u>1.38</u>	<u>1.03</u>

No diluted earnings per share is presented since the number of potential outstanding shares related to ICPS (a mandatorily convertible instruments) has been included in the basic earnings per share computation (in accordance to FRS 133) and there is no other potential outstanding shares.

c.c. Securities Commission