

# 7-Eleven Malaysia Holdings Berhad

(Company No: 1058531-W)

**Date :** 28 May 2015

**Subject: UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED  
31 MARCH 2015**

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**7-Eleven Malaysia Holdings Berhad** (Company No: 1058531-W)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015  
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	31.3.2015	31.3.2014 <sup>(1)</sup>	31.3.2015	31.3.2014 <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000
Revenue	504,991	453,073	504,991	453,073
Cost of sales	<u>(351,254)</u>	<u>(323,931)</u>	<u>(351,254)</u>	<u>(323,931)</u>
<b>Gross profit</b>	153,737	129,142	153,737	129,142
Other operating income	25,882	22,538	25,882	22,538
Selling and distribution expenses	(135,195)	(116,701)	(135,195)	(116,701)
Administrative and other operating expenses	<u>(24,017)</u>	<u>(16,680)</u>	<u>(24,017)</u>	<u>(16,680)</u>
<b>Profit from operations</b>	20,407	18,299	20,407	18,299
Finance costs	<u>(118)</u>	<u>(1,786)</u>	<u>(118)</u>	<u>(1,786)</u>
<b>Profit before tax</b>	20,289	16,513	20,289	16,513
Income tax expense	<u>(5,909)</u>	<u>(4,885)</u>	<u>(5,909)</u>	<u>(4,885)</u>
<b>Profit after tax, representing total comprehensive income for the period</b>	<u>14,380</u>	<u>11,628</u>	<u>14,380</u>	<u>11,628</u>
<b>Profit attributable to:</b>				
Equity holders of the Company	<u>14,380</u>	<u>11,628</u>	<u>14,380</u>	<u>11,628</u>
<b>Basic/diluted earnings per ordinary share (sen) (Note B12)</b>	<u>1.17</u>	<u>1.11</u>	<u>1.17</u>	<u>1.11</u>

**Note:**

(1) The acquisition of the entire issued and paid-up share capital of 7-Eleven Malaysia Sdn. Bhd. ("7-Eleven Malaysia") by 7-Eleven Malaysia Holdings Berhad ("7-Eleven Malaysia Holdings") that was completed on 2 April 2014 is a reorganisation and does not result in any change in economic substance. Accordingly, the comparative figures are presented as if the reorganisation had been effected from the beginning of the earliest period presented.

(The annexed notes form an integral part of this interim financial report)

**7-Eleven Malaysia Holdings Berhad** (Company No: 1058531-W)**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015  
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<b>The Group</b>	
	<b>Unaudited As at 31.3.2015 RM'000</b>	<b>Audited As at 31.12.2014 RM'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	258,104	242,473
Investment property	221	222
Intangible assets	18,760	11,499
Other investments	1	1
	<u>277,086</u>	<u>254,195</u>
<b>Current assets</b>		
Inventories	170,684	148,898
Sundry receivables	85,492	85,527
Tax recoverable	2,834	2,420
Cash and bank balances	174,740	244,110
	<u>433,750</u>	<u>480,955</u>
<b>Total assets</b>	<u>710,836</u>	<u>735,150</u>
<b>Equity and liabilities</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	123,338	123,338
Share premium	1,361,800	1,361,800
Capital reorganisation deficit	(1,343,248)	(1,343,248)
Retained profits	45,796	94,319
<b>Total equity</b>	<u>187,686</u>	<u>236,209</u>
<b>Non-current liabilities</b>		
Provisions	5,254	5,254
Borrowings	1,296	2,061
Deferred tax liability	8,358	8,323
	<u>14,908</u>	<u>15,638</u>
<b>Current liabilities</b>		
Provisions	980	745
Borrowings	4,335	5,355
Trade payables	398,622	369,154
Other payables	104,278	108,013
Taxation	27	36
	<u>508,242</u>	<u>483,303</u>
<b>Total liabilities</b>	<u>523,150</u>	<u>498,941</u>
<b>Total equity and liabilities</b>	<u>710,836</u>	<u>735,150</u>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen) <sup>(1)</sup></b>	<u>15.22</u>	<u>19.15</u>

**Note:**

(1) Based on number of shares in issue.

(The annexed notes form an integral part of this interim financial report)

**7-Eleven Malaysia Holdings Berhad** (Company No: 1058531-W)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

Group	Attributable to Equity Holders of the Company				
	Non-distributable			Distributable	
	Share capital RM'000	Share premium RM'000	reorganisation reserve/(deficit) RM'000	Capital Retained Profits RM'000	Total Equity RM'000
<b>At 1 January 2015</b>	123,338	1,361,800	(1,343,248)	94,319	236,209
Total comprehensive income	-	-	-	14,380	14,380
Transaction with owners:					
Dividends on ordinary shares	-	-	-	(62,903)	(62,903)
<b>At 31 March 2015</b>	<b>123,338</b>	<b>1,361,800</b>	<b>(1,343,248)</b>	<b>45,796</b>	<b>187,686</b>
<b>At 1 January 2014 (Unaudited)*</b>	#	-	35,000	31,245	66,245
Total comprehensive income	-	-	-	11,628	11,628
<b>At 31 March 2014</b>	-	-	35,000	42,873	77,873

# Representing RM2.

\* The comparative for the financial period ended 31 March 2014 have been presented for illustrative purpose only to show the effects of the transactions, as described below, with the assumption that these transactions had taken place as at the earliest date presented.

The acquisition of the entire issued and paid-up share capital of 7-Eleven Malaysia by 7-Eleven Malaysia Holdings that was completed on 2 April 2014 is a reorganisation and does not result in any change in economic substance. Accordingly, the consolidated financial statements of the 7-Eleven Malaysia Holdings is a continuation of 7-Eleven Malaysia Group and is accounted for as follows:

- The results of entities are presented as if the reorganisation had been effected throughout from the beginning of the earliest period presented;
- 7-Eleven Malaysia Holdings consolidates the assets and liabilities of the 7-Eleven Malaysia Group at their pre-combination carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the combination that would otherwise be done under the acquisition method;
- No new goodwill is recognised as a result of the reorganisation. The only goodwill that is recognised is the existing goodwill relating to the combining entities. Difference between the consideration paid/transferred and the equity acquired is reflected within equity as capital reorganisation deficit.

**7-Eleven Malaysia Holdings Berhad** (Company No: 1058531-W)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>CUMULATIVE QUARTER</b>	
	<b>3 months ended</b>	
	<b>31.3.2015</b>	<b>31.3.2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Cash receipts from customers and other receivables	541,049	493,713
Cash paid to suppliers and employees	(519,952)	(463,693)
Cash generated from operations	21,097	30,020
Interest paid	(118)	(1,786)
Tax paid	(6,297)	(4,445)
Net cash generated from operating activities	<u>14,682</u>	<u>23,789</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(12,932)	(5,050)
Purchase of intangible assets	(7,261)	-
Proceeds from disposal of property, plant and equipment	5	52
Advances to intercompany (net)	-	(2,828)
Interest received	824	185
Net cash used in investing activities	<u>(19,364)</u>	<u>(7,641)</u>
<b>Cash flows from financing activities</b>		
Dividends paid on ordinary shares	(62,903)	-
Payment of initial public offering exercise expenses	-	(891)
Proceeds from bankers' acceptances	-	134,052
Repayment of bankers' acceptances	-	(140,500)
Repayment of term loans	(501)	(677)
Repayment of hire purchase and finance lease liabilities	(1,284)	(1,780)
Net cash used in financing activities	<u>(64,688)</u>	<u>(9,796)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(69,370)	6,352
<b>Cash and cash equivalents at beginning of the period</b>	<u>244,110</u>	<u>47,840</u>
<b>Cash and cash equivalents at end of the period</b>	<u>174,740</u>	<u>54,192</u>
Cash and cash equivalents at the end of the financial period comprises the following:-		
Cash and bank balances	69,743	53,857
Fixed deposits with licensed banks	104,997	335
	<u>174,740</u>	<u>54,192</u>

(The annexed notes form an integral part of this interim financial report)

## **7-Eleven Malaysia Holdings Berhad** (Company No: 1058531-W)

### **UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015** **NOTES TO THE INTERIM FINANCIAL REPORT**

#### **A1. CORPORATE INFORMATION**

7-Eleven Malaysia Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia.

The principal activity of the Company is investment holding.

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

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

The immediate and ultimate holding companies are Berjaya Retail Berhad ("BRetail") and HQZ Credit Sdn. Bhd. ("HQZ") respectively.

#### **A2. BASIS OF PREPARATION**

The interim financial report is unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2014.

Certain comparatives have been reclassified to conform with the current period presentation.

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

#### **A3. CHANGES IN ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 December 2014 except as follows:

On 1 January 2015, the Group adopted the following amended MFRSs and IC Interpretation mandatory for annual financial period beginning on or after 1 January 2015:

<b>Description</b>	<b>Effective for annual financial periods beginning on or after</b>
Amendments to MFRS 119 : Defined Benefit Plans : Employee Benefits	1 July 2014
Annual Improvements to MFRSs 2010 - 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 - 2013 Cycle	1 July 2014

The adoption of the above did not have any significant effect on the interim financial report upon their initial adoption.

## **7-Eleven Malaysia Holdings Berhad** (Company No: 1058531-W)

### **UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015** **NOTES TO THE INTERIM FINANCIAL REPORT**

#### **A3. CHANGES IN ACCOUNTING POLICIES (CONT'D)**

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the Group's accounting period beginning on or after 1 January 2015. The Group intend to adopt these standards, if applicable, when they become effective. The initial application of the MFRSs, Amendments to MFRSs and IC Interpretations, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impacts to the financial statements of the Group upon their first adoption.

#### **A4. SEASONALITY OR CYCLICALITY OF OPERATIONS**

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

#### **A5. ITEMS OF UNUSUAL NATURE**

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

#### **A6. CHANGE IN ESTIMATES**

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

#### **A7. CHANGES IN COMPOSITION OF THE GROUP**

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

#### **A8. DEBT AND EQUITY SECURITIES**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resales of treasury shares for the current financial period ended 31 March 2015.

#### **A9. DIVIDEND PAID**

During the financial period ended 31 March 2015, the Company paid an interim single tier dividend of 2.5 sen per ordinary share and a special single tier dividend of 2.6 sen per ordinary share amounting to RM62.9 million in respect of the financial year ended 31 December 2014 on 31 March 2015.

## 7-Eleven Malaysia Holdings Berhad (Company No: 1058531-W)

### UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015 NOTES TO THE INTERIM FINANCIAL REPORT

#### A10. SEGMENT REPORT

Segmental analysis for the financial period ended 31 March 2015 is as follows:

Revenue	External RM'000	Inter- segment RM'000	Total RM'000
<b>For the three months ended 31 March 2015</b>			
Convenience stores	504,916	-	504,916
Others	75	174	249
Inter-segment elimination	-	(174)	(174)
	<u>504,991</u>	<u>-</u>	<u>504,991</u>
<b>For the three months ended 31 March 2014</b>			
Convenience stores	453,001	-	453,001
Others	72	174	246
Inter-segment elimination	-	(174)	(174)
	<u>453,073</u>	<u>-</u>	<u>453,073</u>
<b>CUMULATIVE QUARTER 3 months ended</b>			
	<b>31.3.2015</b>	<b>31.3.2014</b>	
	<b>RM'000</b>	<b>RM'000</b>	
<b>Results</b>			
Convenience stores	19,007	15,368	
Others	(270)	(83)	
	<u>18,737</u>	<u>15,285</u>	
Interest income	1,670	3,014	
<b>Profit from operations</b>	<b>20,407</b>	<b>18,299</b>	
Finance costs	(118)	(1,786)	
<b>Profit before tax</b>	<b>20,289</b>	<b>16,513</b>	
Income tax expense	(5,909)	(4,885)	
<b>Net profit for the period</b>	<b>14,380</b>	<b>11,628</b>	

#### A11. PROPERTY, PLANT AND EQUIPMENT

During the 3 months ended 31 March 2015, the Group acquired assets at costs of RM26.5 million (2014 : RM13.1 million). The assets acquired comprise mainly of renovation, furniture, fittings, equipment and computer equipment.



## 7-Eleven Malaysia Holdings Berhad (Company No: 1058531-W)

### UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015 NOTES TO THE INTERIM FINANCIAL REPORT

#### A12. INTANGIBLE ASSETS

Intangible assets include computer software-in-development. During the 3 months ended 31 March 2015, the Group acquired computer software-in-development assets at costs of RM7.3 million (2014 : Nil).

#### A13. SIGNIFICANT RELATED PARTY TRANSACTIONS

Transacting party	Type of transactions	CUMULATIVE QUARTER 3 months ended	
		31.3.2015 RM'000	31.3.2014 RM'000
<b>With immediate holding company</b>			
Berjaya Retail Berhad ("BRetail")	Interest income on advances to BRetail	-	2,827
	Interest expense on advances from BRetail	-	182
<b>With a subsidiary company</b>			
7-Eleven Malaysia Sdn Bhd ("7-Eleven Malaysia")	Advances from 7-Eleven Malaysia to 7-Eleven Malaysia Holdings	420	1,778
	Interest expense on advances from 7-Eleven Malaysia	2	95
	Interest income on dividend receivable from 7-Eleven Malaysia	776	-

**7-Eleven Malaysia Holdings Berhad** (Company No: 1058531-W)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015**  
**NOTES TO THE INTERIM FINANCIAL REPORT**

**A13. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)**

Transacting party	Type of transactions	CUMULATIVE QUARTER	
		3 months ended 31.3.2015 RM'000	31.3.2014 RM'000
<b>With companies in which TSVT is deemed interested*</b>			
MOL AccessPortal Sdn. Bhd. ("MOL")	Receipt of payment from MOL for commission for sale of mobile phone reloads and online games	5,336	5,078
	Payment to MOL for reload transaction values for in-store services for sale of mobile phone reloads and online games	127,030	109,437
U Mobile Sdn. Bhd. ("U Mobile")	Receipt of payment from U Mobile for commission for sale of mobile phone reloads	2,070	1,873
	Payment to U Mobile for reload transaction values for in-store services for sale of mobile phone reloads	32,426	29,349
	Receipt of payment from U Mobile for advertisement placing fees	1,350	1,243
Berjaya Channel Sdn. Bhd. ("BChannel")	Receipt of payment from BChannel for advertisement placement fees	375	375
Sun Media Corporation Sdn. Bhd. ("Sun Media")	Advertising fees on placement of advertisement in The Sun newspaper	290	56
	Display fees from placement of The Sun newspaper in 7-Eleven's stores	180	180

**7-Eleven Malaysia Holdings Berhad** (Company No: 1058531-W)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015**  
**NOTES TO THE INTERIM FINANCIAL REPORT**

**A13. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)**

Transacting party	Type of transactions	CUMULATIVE QUARTER	
		31.3.2015	31.3.2014
		RM'000	RM'000
<b>With companies in which TSVT is deemed interested*</b>			
Prime Credit Leasing Sdn. Bhd.	Leasing facility for point-of-sales computer system:		
	- Drawdown	-	1,923
	- Lease interest	103	166
		<hr/>	<hr/>
Securexpress Services Sdn. Bhd. ("Securexpress")	Payment to Securexpress for fees relating to the delivery of merchandise to stores	3,344	3,091
		<hr/>	<hr/>
Berjaya Sampo Insurance Berhad ("Berjaya Sampo")	Payment to Berjaya Sampo for insurance premium	1,679	928
		<hr/>	<hr/>
Nural Enterprise Sdn. Bhd. ("Nural")	Payment to Nural for rental of property and service charges	523	449
		<hr/>	<hr/>
Berjaya Times Square Sdn. Bhd. ("BTS")	Payment to BTS for rental of property and service charges	249	193
		<hr/>	<hr/>

\* Tan Sri Dato' Seri Vincent Tan Chee Yioun ("TSVT"), a substantial shareholder of HQZ Credit Sdn. Bhd. ("HQZ"), is also deemed interested in all the subsidiary companies of HQZ.

**A14. CONTINGENT LIABILITIES**

The Group has bank guarantees amounting to RM7,020,000 (31 December 2014: RM7,015,000) as security deposits in favour of various government and statutory bodies, and private companies.

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

## 7-Eleven Malaysia Holdings Berhad (Company No: 1058531-W)

### UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015 NOTES TO THE INTERIM FINANCIAL REPORT

#### A15. CAPITAL COMMITMENTS

	Group	
	As at 31.3.2015 Unaudited RM'000	As at 31.12.2014 Audited RM'000
Approved and contracted for		
- property, plant and equipment	49,126	35,690
- intangible assets	11,462	14,100
	<u>60,588</u>	<u>49,790</u>
Approved but not contracted for		
- property, plant and equipment	105,057	126,070
- intangible assets	1,860	4,000
	<u>106,917</u>	<u>130,070</u>
	<u>167,505</u>	<u>179,860</u>

#### A16. SUBSEQUENT EVENT

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

## **7-Eleven Malaysia Holdings Berhad** (Company No: 1058531-W)

### **UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015 ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR**

#### **B1. REVIEW OF THE PERFORMANCE OF THE GROUP**

##### **Review of Current Quarter Performance versus Corresponding Quarter Last Year**

The Group's revenue for the current quarter of RM505.0 million grew by RM51.9 million or 11.5% against the corresponding quarter's revenue in the previous year of RM453.1 million. The growth in revenue was driven by the growth in new stores, improved merchandise mix and consumer promotion activity.

Gross profit of RM153.7 million improved by RM24.6 million or 19.0% compared to the corresponding quarter in the previous year and this was mainly attributed to the revenue growth of 11.5% and gross profit margin expansion of 1.9% points. Other operating income grew by 14.8% compared to the corresponding quarter in the previous year due to higher consumer promotion activities.

Selling and distribution expenses for the quarter increased by RM18.5 million or 15.8%, mainly caused by higher staff cost, utilities cost and rental cost. Staff cost increased by RM5.4 million or 12.5%, utilities cost increased by RM2.4 million or 11.4% and rental increased by RM2.6 million or 14.4%.

Administrative and other operating expenses for the quarter increased by RM7.3 million or 44.0%, mainly caused by higher advertising cost and staff cost.

The profit before tax of RM20.3 million grew by 22.9% or RM3.8 million which was driven mainly by the sales growth, gross profit margin expansion and growth in other operating income.

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

The Group's profit before tax for the first quarter was RM20.3 million, a decrease of RM5.3 million or 20.7% over the immediate preceding quarter profit before tax of RM25.6 million although revenue for the current quarter of RM505.0 improved by RM23.9 million or 5.0% over the immediate preceding quarter revenue of RM481.1 million. The decrease was mainly attributed to higher other operating income earned in the immediate preceding quarter ended 31 December 2014 arising from year end achievement of various full year rebates.

#### **B3. PROSPECTS**

The Board of Directors is of the view that despite a general softening in the retail market since GST implementation on 1 April 2015, we are confident about the future growth prospects for our Group for the remaining period of the current financial year as we are confident of holding onto our market leading position while our new store expansion plan remains on track.

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

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

## 7-Eleven Malaysia Holdings Berhad (Company No: 1058531-W)

### UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015 ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

#### B5. PROFIT FROM OPERATIONS

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

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31.3.2015 RM'000	31.3.2014 RM'000	31.3.2015 RM'000	31.3.2014 RM'000
Interest income	1,670	3,014	1,670	3,014
Depreciation of property, plant and equipment	10,724	8,768	10,724	8,768
Initial Public Offering expenses	-	891	-	891
Over provision of IPO and listing expenses in respect of prior year	-	(961)	-	(961)
Amortisation charge for investment property	2	2	2	2
Property, plant and equipment written off	173	37	173	37
Provision for receivables written back	-	(41)	-	(41)
Gain on disposal of property, plant and equipment	5	22	5	22
Loss on foreign exchange translation differences	128	1	128	1
	<u>128</u>	<u>1</u>	<u>128</u>	<u>1</u>

Other than as presented in the condensed consolidated statements of comprehensive income and as disclosed above, there were no gain or loss on disposal of quoted or unquoted investments or properties, provision for and write off of inventories, impairment loss on sundry receivables, impairment of other assets, gain or loss on derivatives and exceptional items included in the results of the current quarter and financial period ended 31 March 2015.

#### B6. TAXATION

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31.3.2015 RM'000	31.3.2014 RM'000	31.3.2015 RM'000	31.3.2014 RM'000
Income tax:				
Current period provision	5,874	5,114	5,874	5,114
Over provision in prior year	-	(3)	-	(3)
	<u>5,874</u>	<u>5,111</u>	<u>5,874</u>	<u>5,111</u>

## 7-Eleven Malaysia Holdings Berhad (Company No: 1058531-W)

### UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2015 ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES LR

#### B6. TAXATION (CONT'D)

	Current Quarter 3 months ended		Cumulative Quarter 3 months ended	
	31.3.2015 RM'000	31.3.2014 RM'000	31.3.2015 RM'000	31.3.2014 RM'000
Deferred tax				
Relating to origination and reversal of temporary differences	35	28	35	28
Over provision in prior year	-	(254)	-	(254)
	<u>35</u>	<u>(226)</u>	<u>35</u>	<u>(226)</u>
	<u>5,909</u>	<u>4,885</u>	<u>5,909</u>	<u>4,885</u>

Income tax expense is recognised based on management's best estimation. The Group's consolidated effective tax rates for the current quarter and financial period ended 31 March 2015 were higher than the Malaysian's statutory tax rate mainly due to the certain expenses not deductible under tax legislation.

#### B7. STATUS OF CORPORATE PROPOSALS

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

#### B8. STATUS OF UTILISATION OF IPO PROCEEDS

The status of utilisation of the proceeds from the Public Issue of 181,385,000 new ordinary shares at RM1.38 per share on 30 May 2014 are as follows:

Purposes	Proposed utilisation RM'000	Actual utilisation at the date of this report RM'000	Deviation RM'000	Balance RM'000	Estimated time frame for utilisation
i. Capital expenditure	184,790	74,194	-	110,596	Within 36 months
ii. Working capital	42,664	51,820	(9,156)	-	Within 36 months Note 1
iii. Estimated fees and expenses for the IPO and listing exercise	22,857	13,701	9,156		Note 1
<b>Total gross proceeds</b>	<b>250,311</b>	<b>139,715</b>	<b>-</b>	<b>110,596</b>	

#### Note:

1 Actual fees and expenses incurred for the IPO and listing exercise were less than the estimated fees and expenses by approximately RM9.2 million. The excess arising from actual listing expenses compared to the estimated expenses has been utilised for working capital purposes.

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#### B9. GROUP BORROWINGS

The Group borrowings which is denominated in Ringgit Malaysia ("RM") as at 31 March 2015 are as follows: -

	<b>As at 31.3.2015 RM'000</b>	<b>As at 31.12.2014 RM'000</b>
<b>Short term borrowings</b>		
<b>Secured:</b>		
Term loans	318	819
Hire purchase and finance lease liabilities	4,017	4,536
	<u>4,335</u>	<u>5,355</u>
<b>Long term borrowings</b>		
<b>Secured:</b>		
Hire purchase and finance lease liabilities	1,296	2,061
	<u>1,296</u>	<u>2,061</u>
<b>Total borrowings</b>		
Term loans	318	819
Hire purchase and finance lease liabilities	5,313	6,597
	<u>5,631</u>	<u>7,416</u>

#### B10. MATERIAL LITIGATION

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

#### B11. DIVIDEND

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

#### B12. EARNINGS PER SHARE

	<b>CURRENT QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.3.2015</b>	<b>31.3.2014</b>	<b>31.3.2015</b>	<b>31.3.2014</b>
Net profit attributable to				
ordinary shares (RM'000)	14,380	11,628	14,380	11,628
Weighted average number of	1,233,385	1,052,000	1,233,385	1,052,000
ordinary shares in issue ('000)				
Basic/diluted earnings				
per ordinary share (sen)	<u>1.17</u>	<u>1.11</u>	<u>1.17</u>	<u>1.11</u>

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



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#### B13. BREAKDOWN OF REALISED AND UNREALISED PROFITS OR LOSSES

The breakdown of the retained profits of the Group as at 31 March 2015 and 31 December 2014 into realised and unrealised profits is presented in accordance with the directives issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and 20 December 2010, prepared in accordance with Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses* in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	<b>As at 31.3.2015 RM'000</b>	<b>As at 31.12.2014 RM'000</b>
Realised profits	54,154	102,642
Unrealised losses	(8,358)	(8,323)
<b>Total retained profits as per condensed consolidated statements of changes in equity</b>	<b>45,796</b>	<b>94,319</b>