



99 SPEED MART RETAIL HOLDINGS BERHAD
(Registration No.: 202301017784 (1511706-T))
(Incorporated in Malaysia under the Companies Act 2016)



EXPANDING
POTENTIAL
SEIZING
OPPORTUNITIES

Annual Report **2024**





In our first year as a public listed company, we proudly present the inaugural annual report of **99 Speed Mart Retail Holdings Berhad** (otherwise referred to as “99 Holdings”, “99 Speedmart”, “the Group” or “the Company”).

You can access the digital edition of our 2024 Annual Report on our Company’s website at www.99speedmart.com.my/investor-relations/ or simply scan the QR code using your smartphone.

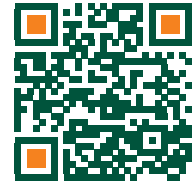


TABLE OF CONTENTS

ABOUT 99 SPEEDMART

02	About Us, Our Vision and Mission
03	Key Milestones
04	2024 Awards and Recognition
05	Corporate Information
06	Corporate Structure
07	Board of Directors’ Profile
18	Key Senior Management’s Profile

KEY MESSAGES & PERFORMANCE REVIEW

23	Chairman’s Statement
30	Chief Executive Officer’s Statement
40	Management Discussion & Analysis
52	5-Year Group Financial Summary
53	5-Year Financial Highlights

SUSTAINABILITY

54	Sustainability Statement
----	--------------------------

CORPORATE GOVERNANCE

103	Corporate Governance Overview Statement
123	Additional Compliance Information
125	Statement on Risk Management and Internal Control
129	Audit Committee Report
133	Directors’ Responsibility Statement

FINANCIAL

134	Financial Statements
-----	----------------------

OTHER INFORMATION

188	List of Material Properties
192	Analysis of Shareholdings
195	Notice of Second Annual General Meeting

Form of Proxy

ABOUT US

99 Speedmart is a rapidly growing chain of fuss-free mini supermarkets that offers unbeatable value and absolute convenience.

We are committed to create an accessible and welcoming shopping environment for our vibrant, multiracial community.

OUR VISION AND MISSION

To maintain our image as one of Malaysia's market leaders in the retail grocery sector, we aim to provide a wide and diverse range of daily use products of the highest quality. Additionally, we prioritise excellent customer service, ensuring that our growing customers' needs are met with efficiency and care.

To stay true to our ethos of NEAR n' SAVE, we aim to further save time and money for our customers by improving our economies of scale. To achieve this, we integrate a vast network of distribution centres and advanced logistics system that complement our outlets, resulting in economic efficiency, and more competitive prices for our customers.

Malaysia's Largest Homegrown Mini-Market Player & Leading Groceries Retailer

Market Capitalisation
of more than
RM20 billion
as at 31 December 2024



2,800+ outlets
and **20**
Distribution Centres
across Malaysia to date



More than
3,000 SKUs
across 50 product categories



E-Commerce platform
"99 Bulksales"
available on
<https://www.99bulksales.my/>
for bulk orders



NEAR n' SAVE

*Affordable and convenient
for everyone, everywhere.*

KEY MILESTONES

1987

Our founder, Mr Lee Thiam Wah opened a sundry store called Pasar Raya Hiap Hoe in Tepi Sungai, Klang, Selangor – first foray into the retail grocery sector.

1992-1998

The very first outlet that bore the name “99” opened in Klang Utama, Klang, Selangor. It was called Pasar Mini 99 and through Mr Lee Thiam Wah’s sheer dedication, it soon grew into eight other outlets in Klang, Selangor.

2000 - 2003

Throughout 2000 to 2003, Pasar Mini 99 underwent a rebranding and an intensive expansion strategy. Consequently, all eight Pasar Mini 99 outlets were acquired and rebranded into 99 Speedmart.

Our first head office and distribution center, located in Jalan Kapar, Klang, Selangor, was also completed in October 2002.

2006

99 Speedmart received its first Consumer Choice Award from the Ministry of Domestic Trade and Consumer Affairs, Malaysia. This milestone is a testament to 99 Speedmart’s slogan of Near n’ Save and constant focus on delivering essential goods to the community.

2008 - 2010

The second distribution centre located in Jalan Kebun, Klang, Selangor started its operations in July 2008. It was designed to expand our network of mini markets nationwide while continuously introducing new and innovative products and services.

On 1st November 2008 and 27th June 2010, 99 Speedmart launched its 100th outlet in Pinggiran Batu Caves, Selangor and 200th outlet in Bandar Baru Selayang, Batu Caves, Selangor respectively.

2013

99 Speed Mart (East Malaysia) Sdn Bhd was incorporated, and its first outlet and distribution centre were established in Kota Kinabalu, Sabah.

2015

Our new Regional Headquarters and distribution centre in East Malaysia started its operations in September 2015. Located in Kota Kinabalu, Sabah, this distribution centre allows for the expansion of new 99 Speedmart outlets across the state.

2016

Located in Taman Berkeley, Klang, Selangor, our newest Headquarters was launched on the 16 of September 2016 - Malaysia Day. Spanning 12 floors this building allows 99 Speedmart to streamline daily operations.

2017 - 2021

On 12th August 2017 and 25th November 2021, 99 Speedmart launched its 1000th outlet in Shah Alam Sek 13, Selangor and 2000th outlet in Puncak Sentul, Kuala Lumpur respectively.

We also started operation for our 10th distribution centre located in Senai, Johor on 19th October 2020.

2023

We launched our bulk sales online platform, “99 Bulksales” via our website www.99bulksales.my, offering both our retail and enterprise customers the option to purchase in bulk.

Simultaneously, we incorporated both Yiwu J-Jade Trading Co., Ltd and Yiwu Speed Mart Import & Export Co., Ltd in China for investment and procurement activities – to provide better value to our customers by strengthening our sourcing capabilities.

2024

On 9th September 2024, 99 Speedmart embarked on a new chapter by becoming a publicly traded company on the Main Market of Bursa Malaysia Securities Berhad.

2024 AWARDS AND RECOGNITION



- 1 Best IPO in Southeast Asia 2024 awarded by FinanceAsia
- 2 Best Equity/IPO Deal of the Year in Southeast Asia & Best IPO for Retail Investors in Southeast Asia 2024 awarded by Alpha Southeast Asia
- 3 Putra Brand Awards 2024 – Silver awarded by Association of Accredited Advertising Agents Malaysia (4As)
- 4 Anugerah Majikan Prihatin – Sambutan Hari Orang Kurang Upaya Kebangsaan 2024
- 5 Best retail outlet of GreenRE Sustainable Development Awards 2023/2024 in 99 Speedmart Sustainable Outlets Pilot Programme awarded by GreenRE Sdn Bhd
- 6 Top Outstanding Retailer Brand Footprint 2024 in Malaysia awarded by Kantar World Panel
- 7 Empowering Purpose with HR Excellence Award 2024 awarded by Jobstreet by SEEK
- 8 Majikan Kesuma Madani Kategori Orang Kurang Upaya (OKU) sempena Karnival Kesuma Madani Myfuturejobs OKU & TVET
- 9 Penganjur Kempen Derma Darah Paling Komited Peringkat Kebangsaan 2024 sempena Hari Penderma Darah Sedunia 2024 Peringkat Kebangsaan

CORPORATE INFORMATION



BOARD OF DIRECTORS

Dato' Chua Tia Guan

*Non-Independent
Non-Executive Chairman*

Lee Thiam Wah

*Executive Director and
Chief Executive Officer*

Ng Lee Tieng

*Non-Independent
Non-Executive Director*

Lee Lay Liang

Executive Director

Ho Tat Heng

*Senior Independent
Non-Executive Director*

Nirmalah A/P V.Thurai

*Independent
Non-Executive Director*

Serina Binti Abdul Samad

*Independent
Non-Executive Director*

**Dato' Abdul Latif Bin
Abu Seman**

*Independent
Non-Executive Director*

**Ting Seng Hook @
Ting Seng Hee**

*Independent
Non-Executive Director*

Lee Yan Zhong

*Alternate Director
to Lee Thiam Wah*

Leong Sau Chan

*Alternate Director
to Lee Lay Liang*

AUDIT COMMITTEE

Ho Tat Heng (Chairperson)
Serina Binti Abdul Samad
Dato' Abdul Latif Bin Abu Seman

NOMINATION AND REMUNERATION COMMITTEE

Nirmalah A/P V.Thurai (Chairperson)
Dato' Abdul Latif Bin Abu Seman
Ting Seng Hook @ Ting Seng Hee

RISK MANAGEMENT COMMITTEE

Serina Binti Abdul Samad (Chairperson)
Lee Thiam Wah
Nirmalah A/P V.Thurai
Ting Seng Hook @ Ting Seng Hee

COMPANY SECRETARIES

Tai Yit Chan
(MAICSA 7009143)
(CCM Practising Certificate
No. 202008001023)
Tia Hwei Ping
(MAICSA 7057636)
(CCM Practising Certificate
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
Facsimile No. : +603 7890 4650
Email : boardroom-kl@
boardroomlimited.com

HEAD OFFICE

Lot PT 2811, Jalan Angsa
Taman Berkeley
41150 Klang
Selangor Darul Ehsan
Malaysia
Tel. No. : +603 3362 6863
Email : corporate@99speedmart.com.my
Website : https://www.99speedmart.com.my

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel. No. : +603 7890 4700
Facsimile No. : +603 7890 4670
Email : bsr.helpdesk@
boardroomlimited.com

AUDITORS

Crowe Malaysia PLT
Registration No. 201906000005
(LLP0018817-LCA) & AF 1018
Suite 50-3, Setia Avenue
No. 2, Jalan Setia Prima S U13/S
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan
Malaysia
Tel. No. : +603 3343 0730

PRINCIPAL BANKERS

CIMB Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
Bank Simpanan Nasional
Alliance Bank Malaysia Berhad
Bank of China (Malaysia) Berhad

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Stock Name : 99SMART
Listing : Main Market
Sector : Consumer Products
& Services
Stock code : 5326

www.99speedmart.com.my

CORPORATE STRUCTURE



99 SPEED MART RETAIL HOLDINGS BERHAD
202301017784 (1511706-T)



BOARD OF DIRECTORS' PROFILE

DATO' CHUA TIA GUAN

*Non-Independent Non-Executive Chairman
Malaysian | Aged 56 | Male*



Dato' Chua Tia Guan was appointed to our Board as Non-Independent Non-Executive Chairman on 28 November 2023.

He graduated with a Bachelor of Accounting (Hons) from the University of Malaya, Malaysia in 1993. Besides being a Chartered Accountant of Malaysian Institute of Accountants (MIA), Certified Public Accountant of The Malaysian Institute of Certified Public Accountants (MICPA) and an Associate of Chartered Tax Institute of Malaysia (CTIM), he is also an Approved Income Tax Agent licensed by the Ministry of Finance (MOF).

Previously, Dato' Chua served in a senior position in two international accounting firms. He was also appointed as the Independent Non-Executive Chairman of the board of directors of Success Transformer Corporation Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad from 2016 to 2020.

Dato' Chua is the Chairman of the Executive Committee of Newscap Capital Sdn Bhd, which is the ultimate holding company of Cosmo Restaurants Sdn Bhd and Burger King Singapore Pte Ltd, the holding company of the Burger King franchise in Malaysia and Singapore respectively, since 2015.

Dato' Chua is the co-founder and Head of Tax & Financial Consulting of Asia Business Centre Group, a boutique consulting outfit specialising in tax and financial advisory services. He holds a direct interest in Asia Business Centre Sdn Bhd, Asia Business Advisory Sdn Bhd, Asia Business Wealth Management Sdn Bhd, Forum Motivasi PLT and Velodrom Harmoni PLT, the firms that provide tax and other related advisory services to the Group. He will maintain strict independence and avoid any involvement in matters involving Asia Business Centre Group and the Group. He currently sits on the board of several private limited companies and limited liability partnership.

Dato' Chua is actively involved in the formulation and implementation of Malaysian trade and tax policies vide various committees where he is a member or co-chair, such as The Special Task Force to Facilitate Business (PEMUDAH) of the Federal Government of Malaysia, PEMUDAH's Technical Working Group on Taxation and SST 2.0 Technical Committee of Customs' Department. Previously, he was a member of Tax Reform Committee of Ministry of Finance and a Board Member of Secretariat for the Advancement of Malaysian Entrepreneurs (SAME) of PM's Department. He also served as the Head of Economic Survey Unit of the Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM) for a period of 12 years.

BOARD OF DIRECTORS' PROFILE

Cont'd



LEE THIAM WAH

*Executive Director and Chief Executive Officer
Malaysian | Aged 60 | Male*

Mr Lee Thiam Wah was appointed to our Board as Executive Director and Chief Executive Officer (“**CEO**”) on 15 May 2023. He is the founder of our Group and has over 37 years of experience and expertise in the retail industry. He is a member of Risk Management Committee.

He completed an executive programme from the School of Professional and Continuing Education (“**SPACE**”) known as Executive Master of Business Administration (“**MBA**”) programme in collaboration with Southern University College, in 2023.

He opened his first mini-market “Pasar Raya Hiap Hoe” in 1987 as a sole proprietorship. In 1992, he disposed of “Pasar Raya Hiap Hoe” and set up a mini-market chain business under the sole proprietorship of Ninety Nine Market operating under the trade name of “Pasar Mini 99”. By 1998, he had successfully expanded Ninety Nine Market’s chain of mini-markets to eight stores, all located in Klang, Selangor.

In 2000, he incorporated 99 Speed Mart Sdn Bhd (“**99SM**”), which acquired all assets and assumed all liabilities of Ninety Nine Market in 2003 to realise his vision of building an integrated chain of mini-markets. Through 99SM, he led the expansion of “99 Speedmart” outlets in Peninsular Malaysia and by 2008, 99SM opened its 100th outlet. Thereafter in 2013, he founded 99 Speed Mart (East Malaysia) Sdn Bhd as the vehicle for expanding our Group’s mini-market business in East Malaysia.

Under his stewardship, our Group has since expanded to become the largest mini-market chain in Malaysia. As CEO of our Group, he is responsible for the overall expansion of our Group as well as our corporate strategy planning and strategies on new product development to meet our customers’ expectations.

He is widely regarded in the retail industry having been awarded, amongst others, the Outstanding Entrepreneur Award in 2014 by the Chinese Chamber of Commerce and Industry Kuala Lumpur and Selangor and the Outstanding Entrepreneurship Award 2014 by Asia Pacific Enterprise Asia. Being a prominent entrepreneur in our industry, he has also been featured across diverse publications, including news articles and educational textbooks, which highlight his achievements in overcoming adversity and developing a successful business.

He has expanded his investments into, amongst others, the food and beverage sector in Malaysia and Singapore through his investments in the Burger King franchise in Malaysia and Singapore. He also has investments in U Stars Group (Collectively, U Stars Pte Ltd, U Stars Food Holdings Pte Ltd and U Stars Supermarket Pte Ltd) which operates in Singapore.

He currently sits on the board of the Malaysian subsidiaries of our Group and several private limited companies. He is interested in various Recurrent Related Party Transactions which are carried out in the ordinary course of business as disclosed in the Circular to shareholders in relation to the Proposed Shareholders’ Ratification and Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (“**Circular of RRPT**”) where the annual mandate is to be sought.

He has immediate family members working in the Group, i.e. child and sister. He is the spouse of Madam Ng Lee Tieng, father of Mr Lee Yan Zhong, brother of Ms Lee Lay Liang and cousin of Ms Leong Sau Chan.

BOARD OF DIRECTORS' PROFILE

Cont'd

NG LEE TIENG

*Non-Independent Non-Executive Director
Malaysian | Aged 45 | Female*



Madam Ng Lee Tieng was appointed to our Board as Non-Independent Non-Executive Director on 6 June 2023. She has more than 27 years of experience in the retail industry.

She completed an executive programme from SPACE known as Executive MBA programme in collaboration with Southern University College, in 2023.

She began her career in 1997 as a purchasing executive of Ninety Nine Market, i.e. Mr Lee Thiam Wah's sole proprietorship which operated several mini-markets under the name of "Pasar Mini 99" in Klang, Selangor. During this period, her responsibilities were focused on purchasing and costing-related matters, as well as managing relationship with suppliers. Her experience in the mini-market business provided her insights into the retail industry, which she later applied to her role as a director of 99SM in 2000.

Between 2000 and 2015, she was responsible for overseeing all aspects of human resources within our Group, including recruitment, payroll management, employee relations and was instrumental in building a dedicated team for our Group. She was also responsible for overseeing the operational and business development aspects of our Group in a complementary supporting role to Mr Lee Thiam Wah, prior to the establishment of our Group's various departments.

In 2015, Madam Ng Lee Tieng and Mr Lee Thiam Wah invested in the franchise business of Burger King in Malaysia and Singapore. She currently holds the position of CEO of Cosmo Restaurants Sdn Bhd and Burger King Singapore Pte Ltd, the holding companies of the Burger King franchise in Malaysia and Singapore respectively.

She currently sits on the board of the subsidiaries of our Group and several private limited companies. She is interested in various Recurrent Related Party Transactions which are carried out in the ordinary course of business as disclosed in the Circular of RRPT where the annual mandate is to be sought.

She has immediate family members working in the Group, i.e. spouse and child. She is the spouse of Mr Lee Thiam Wah, mother of Mr Lee Yan Zhong, sister-in-law of Ms Lee Lay Liang and cousin-in-law of Ms Leong Sau Chan.

BOARD OF DIRECTORS' PROFILE

Cont'd



LEE LAY LIANG

Executive Director

Malaysian | Aged 49 | Female

Ms Lee Lay Liang was appointed to our Board as Executive Director on 28 November 2023. She is a member of our Key Senior Management. She has more than 30 years of experience in the retail industry.

She completed an executive programme from SPACE known as Executive MBA programme in collaboration with Southern University College, in 2023.

Joining us in 1994, she has a long career with our Group, gradually rising through the ranks to assume her current leadership role.

She began her career when she first joined Ninety Nine Market (sole proprietorship of Mr Lee Thiam Wah) in 1994 as an account executive. In 2000, she was appointed as an administrative executive of 99SM where her main responsibilities included overseeing the stock count processes, costing related matters, payment processing and payroll management. During this period, she assisted our Group in establishing our initial finance operations as our Group's financial reporting requirements became more demanding and complex due to our high pace of growth.

Throughout the years, she has been a key member of our management team, working with Mr Lee Thiam Wah to support his plans to expand our business. Since 2018, she was appointed as a board member of our key operating subsidiaries together with Mr Lee Thiam Wah. She presently leads our payments division, working with and in coordination with our Chief Financial Officer in managing the payments to our Group's approximately 700 suppliers and vendors as well as oversees the payroll management for our Group's over 23,000 employees.

She currently sits on several private limited companies. She is interested in various Recurrent Related Party Transactions which are carried out in the ordinary course of business as disclosed in the Circular of RRPT where the annual mandate is to be sought.

She has immediate family members working in the Group, i.e. brother. She is the sister of Mr Lee Thiam Wah, sister-in-law of Madam Ng Lee Tieng, aunt of Mr Lee Yan Zhong and cousin of Ms Leong Sau Chan.

BOARD OF DIRECTORS' PROFILE

Cont'd

HO TAT HENG

*Senior Independent Non-Executive Director
Malaysian | Aged 53 | Male*



Mr Ho Tat Heng was appointed to our Board as Senior Independent Non-Executive Director on 8 January 2024. He is the Chairperson of Audit Committee.

He obtained a Diploma in Commerce (Financial Accounting) with Distinction from Tunku Abdul Rahman College, Kuala Lumpur in 1995. He was admitted as a member of the Association of Chartered Certified Accountants (ACCA) since 2000 and as a Fellow in 2005.

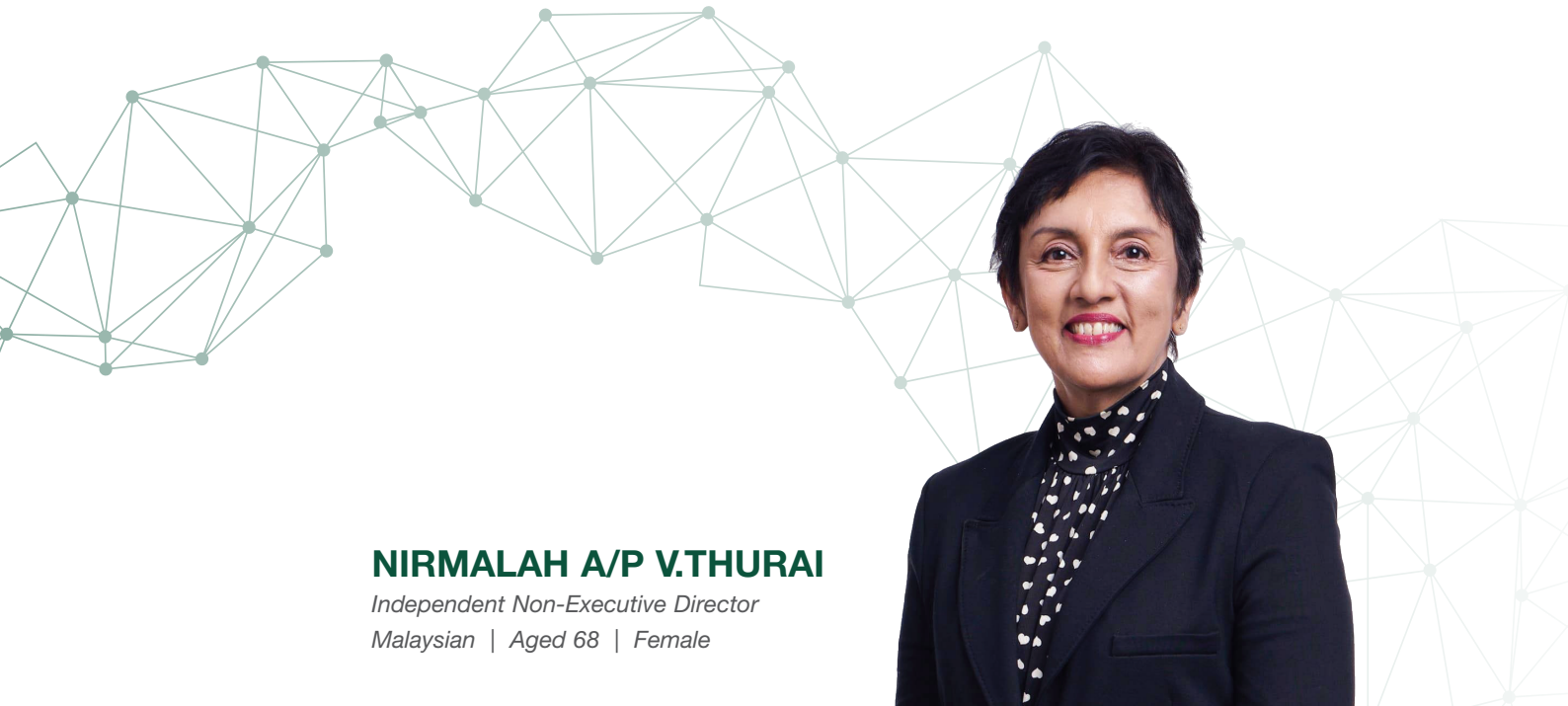
He commenced his career at CIMB Investment Bank Berhad (“**CIMB**”) in 1996 as an Executive in the Corporate Finance department and rose up the ranks to Manager in 2000 and subsequently to Senior Manager in 2002. He remained with CIMB for the next 14 years until 2016 where he has held various key positions including Associate Director, Director, Head and Managing Director of the Corporate Finance department of CIMB.

He resigned from CIMB in 2016 and joined ZJ Advisory Sdn Bhd, a corporate advisory firm, where he was an executive director until his resignation in 2018. He has since become a freelance consultant under his own company, FHL Consultancy Sdn Bhd, providing consultancy services.

He is presently an independent director of JCY International Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad and currently sits on the board of another private limited company.

BOARD OF DIRECTORS' PROFILE

Cont'd



NIRMALAH A/P V.THURAI

Independent Non-Executive Director
Malaysian | Aged 68 | Female

Ms Nirmalah A/P V.Thurai was appointed to our Board as Independent Non-Executive Director on 8 January 2024. She is the Chairperson of Nomination and Remuneration Committee and member of Risk Management Committee.

She obtained a Bachelor of Arts (Honours) in Mass Communication from Universiti Sains Malaysia in 1978.

She commenced her career in 1979 as a research officer at Sahabat Alam Malaysia, a non-governmental organisation. She joined Institut Teknologi MARA (the predecessor of Universiti Teknologi MARA) as a lecturer in 1980 until 1981.

She then began her career spanning 39 years within the Nestle group of companies. Between 1981 and 2004, save for 2 years between 1987 and 1988 with Nestle UK Ltd, she served at Nestle, starting as a Market Research Executive. She rose through the ranks at Nestle with the management of various portfolios including, Head of Market Research, Senior Brand Manager for Nescafe and Marketing Manager for Nestle Professional as well as Business Manager for Chilled Dairy business unit of Nestle (Malaysia) Berhad ("**Nestle Malaysia**").

Between 2005 and 2017, she held the position of Country Business Manager of Cereal Partners Worldwide S.A., a joint venture between Nestle S.A. and General Mills, Inc, where she was tasked with managing the operations of Cereal Partners Worldwide S.A. in Malaysia, Singapore and Brunei. During this period, she was also appointed as a Director of Cereal Partners (Malaysia) Sdn Bhd, an affiliate of Nestle Malaysia.

Between 2014 and 2020, she was a member of Nestle Malaysia's Executive Leadership Team, where she contributed to corporate level strategic planning and change management initiatives. She was promoted to Executive Director of Group Corporate Affairs in 2017, with the additional role of leading the Corporate Nutrition and Consumer Engagement services for Nestle Malaysia since 2019. She retired in 2020.

Since her retirement, she has been providing training services in business solutions, business turnaround and management, crisis management, marketing and communication at ECI HR Solutions Sdn Bhd. She has also been a business coach for Asia School of Business since 2021.

BOARD OF DIRECTORS' PROFILE

Cont'd

SERINA BINTI ABDUL SAMAD

Independent Non-Executive Director

Malaysian | Aged 55 | Female



Ms Serina Binti Abdul Samad was appointed to our Board as Independent Non-Executive Director on 8 January 2024. She is the Chairperson of Risk Management Committee and member of Audit Committee.

She graduated with a Bachelor of Laws (Hons) from Coventry University, England in 1992. She was called to the Bar of England and Wales and is a member of Lincoln's Inn, England, since 1993. She has been an advocate and solicitor of the High Court of Malaya and member of the Malaysian Bar since 1994. She obtained a Masters in Counselling from HELP University, Malaysia in 2013.

She commenced her career in 1995 as a legal associate at KM Chye & Partners, where she was involved in the area of capital and debt markets. She left KM Chye & Partners in 1999 and joined Hisham, Sobri & Kadir, also as a legal associate, where she practiced in various corporate and commercial matters.

Thereafter, she left Hisham, Sobri & Kadir in 2000 and has since co-founded the law firm, Azmi & Associates, where she oversaw the firm's practice as a co-deputy managing partner and headed the Capital and Debt Markets Practice Group. She was also responsible for the development of the Mergers and Acquisitions Practice Group. She has extensive experience in the fields of corporate finance, capital markets as well as mergers and acquisitions.

She was an independent director of Etiqa General Insurance Berhad until her cessation of office in December 2024. She currently sits on the board of another private limited company.

BOARD OF DIRECTORS' PROFILE

Cont'd



DATO' ABDUL LATIF BIN ABU SEMAN

Independent Non-Executive Director

Malaysian | Aged 63 | Male

Dato' Abdul Latif Bin Abu Seman was appointed to our Board as Independent Non-Executive Director on 8 January 2024. He is a member of both Audit Committee and Nomination and Remuneration Committee.

He graduated with a Bachelor of Economics from University of Malaya, Malaysia in 1984 and obtained a Master in Policy Analysis from Saitama University, Japan in 1994.

He had a career spanning 39 years with Malaysia Productivity Corporation ("**MPC**"), a body corporate incorporated pursuant to the Malaysia Productivity Corporation (Incorporation) Act 1966, where he joined in 1984 as a consultant. He was transferred to MPC, Johor in 1985 and further transferred to MPC, Sabah in 1986 as an Assistant Regional Head. In 1991, he was promoted to a Senior Consultant of the Management Development Division of MPC, Petaling Jaya.

He took a break to further his studies from 1992 to 1994, whereby he obtained his Master in Policy Analysis. He returned to MPC, Petaling Jaya in 1995 as a Senior Consultant of the Policy Research Division. From 1995 until 2019, he rose through the ranks and has held various positions such as Manager of the Best Practices Division in 2000, Director of the Promotion and Joint Venture Division in 2002, Director of MPC, Sarawak in 2005, and Deputy Director General in 2010.

He was promoted to Director General of MPC in 2019, a role he held until his retirement in 2023.

BOARD OF DIRECTORS' PROFILE

Cont'd

TING SENG HOOK @ TING SENG HEE

Independent Non-Executive Director

Malaysian | Aged 63 | Male



Ting Seng Hook @ Ting Seng Hee was appointed to our Board as Independent Non-Executive Director on 14 March 2024. He is a member of both Risk Management Committee and Nomination and Remuneration Committee.

He obtained a Graduate Diploma in Marketing from the Chartered Institute of Marketing, United Kingdom in 1994. He was also admitted as a member of the Chartered Institute of Marketing in 2001.

In 1992, he began his 28-year career with A. Clouet (Malaysia) Sdn Bhd (formerly known as A. Clouet & Co., (KL) Sdn Bhd) ("**ACKL**"), a company distributing canned foods under the brand name "Ayam Brand", as a sales executive. He was promoted to National Sales Manager in 1995, where he was tasked with overseeing the sales operation of ACKL in Malaysia.

Thereafter, he rose through the ranks within ACKL. In 2001, he was promoted to General Manager, where he reported directly to the managing director of ACKL and was responsible for managing the entire financial budget of ACKL. He was subsequently promoted to Managing Director in 2010, where he oversaw the entire operations of ACKL.

In 2016, he assumed the position of Group CEO and in addition to his designation as Managing Director of ACKL, he was also responsible for managing the business activities of Denis Asia Pacific Private Limited, the holding company of ACKL, in Malaysia, Vietnam, Singapore, Australia, Indonesia and Brunei until his retirement in 2020.

Since his retirement, he has provided personal business management coaching on a part time basis. He currently sits on the board of a private limited company.

BOARD OF DIRECTORS' PROFILE

Cont'd



LEE YAN ZHONG

Alternate Director to Mr Lee Thiam Wah
Malaysian | Aged 24 | Male

Mr Lee Yan Zhong was appointed as Alternate Director to Mr Lee Thiam Wah on 28 November 2023.

In 2022, he graduated with a Bachelor of Science in Philosophy, Politics and Economics from King's College London, England.

He then joined 99SM as an Optimisation Research Officer and was subsequently redesignated to Optimisation & Sustainability Officer in 2023, where he is responsible for optimising our Group's processes and enhancing inter-departmental functions, as well as analysing and implementing sustainability measures into our Group's operations.

He currently sits on the board of several private limited companies. He is interested in various Recurrent Related Party Transactions which are carried out in the ordinary course of business as disclosed in the Circular of RRPT where the annual mandate is to be sought.

He has immediate family member working in the Group, i.e. father. He is the son of Mr Lee Thiam Wah and Madam Ng Lee Tieng and nephew of Ms Lee Lay Liang.

BOARD OF DIRECTORS' PROFILE

Cont'd



LEONG SAU CHAN

Alternate Director to Ms Lee Lay Liang
 Malaysian | Aged 47 | Female

Ms Leong Sau Chan was appointed as Alternate Director to Ms Lee Lay Liang on 28 November 2023. She is a Director of Business Development and also a member of our Key Senior Management. She has over 24 years of experience in the retail industry.

She obtained a Bachelor of Arts in International Business Administration from the University of Northumbria at Newcastle, England, in 2000.

She joined 99SM in 2000 as an Assistant Manager, where she was involved in various operational matters, including day-to-day operations of the outlets such as ordering and receipt of goods, the setting up of new outlets, as well as assisting with administrative work including, amongst others, preparation of daily reports and recruitment of employees.

In 2007, she was promoted to Manager of Business Development and her duties were streamlined to focus more on the expansion of our outlets. She was also responsible

for the overall licensing of all our outlets in Peninsular Malaysia, registration of our Group's trademarks and involved in matters related to land acquisition.

She assumed her current position as Director of Business Development in 2016, where in addition to her existing responsibilities, she leads the Business Development team in identifying business and potential growth opportunities as well as analysing, identifying and implementing outlet expansion strategies.

She currently sits on the board of a subsidiary of our Group and several private limited companies. She is interested in various Recurrent Related Party Transactions which are carried out in the ordinary course of business as disclosed in the Circular of RRPT where the annual mandate is to be sought.

Ms Leong Sau Chan is the cousin of Mr Lee Thiam Wah and Ms Lee Lay Liang and cousin-in-law of Madam Ng Lee Tieng.

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 under review.

KEY SENIOR MANAGEMENT'S PROFILE



Lee Lay Liang

Executive Director

Malaysian | Aged 49 | Female

The profile of **Ms Lee Lay Liang** is set out on page 10 of this Annual Report.



Yong Eng Kwang

Chief Operating Officer

Malaysian | Aged 39 | Male

Mr Yong Eng Kwang has over 18 years of experience in the retail industry. He obtained a Master of Management (Distinction) from the Open University Malaysia in 2021. He was admitted as a Member of the Malaysian Institute of Management in 2023.

In 2006, he began his career and joined 99 Speed Mart Sdn Bhd ("99SM") as a store manager, where he was responsible for overseeing the day-to-day operations of 1 of our outlets. He was subsequently promoted to Training Manager in 2008, where he was responsible for recruiting and developing talents as well as devised an outlet operation training programme for our Group.

Thereafter, he was promoted to the position of Branch Operation Manager in 2013, General Manager of Branch Operations in 2015 and Director of Branch Operation in 2021, where he was responsible for, amongst others, managing the daily operations of our outlets in Peninsular Malaysia, providing training to our outlet managers, developing and implementing growth strategies as well as managing various operational aspects of our Group such as, maintenance of the outlets in Peninsular Malaysia, customer service, industrial relations and governmental affairs of our Group.

He was promoted to his current position as Chief Operating Officer in 2023 where he is in charge of overseeing the entire operations of the outlets of our Group and continues to oversee the industrial relations and government affairs of our Group.

He has no conflict of interest in any business arrangement involving the Company and its subsidiaries, except for any that may arise due to his equity ownership in J&C Pacific Sdn Bhd.



Leong Sau Chan

Director of Business Development

Malaysian | Aged 47 | Female

The profile of **Ms Leong Sau Chan** is set out on page 17 of this Annual Report.

KEY SENIOR MANAGEMENT'S PROFILE

Cont'd



Ong Yee Peng

Chief Financial Officer

Malaysian | Aged 34 | Female

Ms Ong Yee Peng has over 12 years of experience in auditing and accounting.

She obtained a Bachelor of Business in International Business (Accounting) from Edith Cowan University, Australia in 2011. She was admitted as a member of the Association of Chartered Certified Accountants (ACCA) since 2018 and as a Fellow in 2023. She has also been a member of the Malaysian Institute of Accountants (MIA) since 2019.

She began her career in 2012 as an audit assistant at the accounting firm, Crowe Horwath Malaysia (now Crowe Malaysia PLT) and left in 2017 where her last designation was audit assistant manager, responsible for managing audit portfolios of clients in various industries.

She briefly joined Paul Hype Page Consulting Pte Ltd, an accounting firm in Singapore, from December 2017 to March 2018 as a corporate specialist assistant manager. She left to complete her ACCA on a full-time basis. Between August 2018 and November 2019, she served as an assistant manager of finance at various companies, namely Golden Screen Cinemas Sdn Bhd, Cinead Sdn Bhd, Glitters Café Sdn Bhd and Mac Food Services (M) Sdn Bhd, where she was responsible for their financial reporting and management of operational finance. In December 2019, she rejoined Crowe Malaysia PLT as an audit assistant manager and was subsequently promoted to audit manager until her departure in 2022.

She joined 99SM as an accountant in July 2022 and was subsequently promoted to Chief Financial Officer in May 2023, where she was responsible for the financial management of our Group, overseeing the statutory reporting and internal management reporting functions of our Group, ensuring appropriate financial planning and financial corporate compliance, treasury, tax and other finance operations.



Foo Meng Keet

General Manager of East Malaysia Operations

Malaysian | Aged 44 | Male

Mr Foo Meng Keet has over 19 years of experience in the fast-moving consumer goods (FMCG) retail industry.

He graduated with a Bachelor of Food Science and Technology from the Universiti Putra Malaysia in 2003. Thereafter, he obtained a Master of Business Administration from Universiti Utara Malaysia in 2005.

He began his career in 2003 as a Quality Assurance Executive for Soon Soon Oilmills Sdn Bhd, where he was responsible for quality control activities. He left Soon Soon Oilmills Sdn Bhd in 2005.

From 2005 to 2023, he worked at Nestle Products Sdn Bhd. Over this period, he has held various sales and marketing positions including Distributor Development Manager, Brand Manager, Customer Business Manager and Category Development Manager. Throughout his 18 years of employment with Nestle, he was part of their marketing team and had engaged with various distributors and retailers nationwide for the distribution of Nestle's products.

He joined 99 Speed Mart (East Malaysia) Sdn Bhd (99EM) as General Manager of East Malaysia Operations in March 2023 where he is tasked with overseeing our Group's operations and government affairs in East Malaysia.

KEY SENIOR MANAGEMENT'S PROFILE

Cont'd



Yong Kin Onn

Director of Management Information System

Malaysian | Aged 67 | Male

Mr Yong Kin Onn has over 38 years of experience in the IT industry.

He obtained a Bachelor of Science from the University of Guelph, Canada in 1986.

He began his career as a programmer at Information Systems Research Sdn Bhd, a software company, in 1986. Thereafter, he resigned in 1988 to be a freelance programmer, where he developed software, particularly accounting and inventory software on a freelance basis. In 1990, he returned to Information System Research Sdn Bhd as a software manager, where he led a team of programmers in the design and development of software used in various industries, including retail, until his resignation in 1995.

In 1996, he joined Spektrum Imej (M) Sdn Bhd, as a software manager, where he was tasked with software development. He subsequently joined The Store Corporation Berhad, a supermarket cum departmental store chain, in 2005, as their Management Information System Assistant General Manager. He was the head of the Management Information System Department where he led the company's IT team and oversaw the company's IT and communications portfolio, until his resignation in 2010.

He joined 99SM in 2011 as our General Manager of Management Information System, where his duties include designing, developing, implementing and deploying our Group's in-house warehouse management system and POS system at our outlets. He also developed the procedures for, amongst others, the security, disaster recovery and contingency plan for the systems. He assumed his current position as our Director of Management Information System in 2013.

He has no conflict of interest in any business arrangement involving the Company and its subsidiaries, except for any that may arise due to his equity ownership in J&C Pacific Sdn Bhd.



Mak Pooi Hin

General Manager of Account

Malaysian | Aged 60 | Male

Mr Mak Pooi Hin has over 35 years of experience in accounting.

He obtained a Bachelor of Business Administration from the National Chengchi University, the PRC in 1989.

He began his career in 1989 at Chunghwa Picture Tubes Sdn Bhd, a manufacturer of cathode ray tubes, as an assistant account manager where he was responsible for preparing reports on the company's financials. Thereafter, from 1997 to 2008, he was an account officer for various companies, namely, The Store Corporation Berhad, a supermarket and departmental chain from 1997 to 2002, Able Steel Pipes Sdn Bhd, a manufacturer of mild steel pipes from 2002 to 2007 and Care Coils Sdn Bhd, a manufacturer of coil springs from 2007 to 2008. As an account officer, he was responsible for the preparation of the companies' financial statements and various other finance operations.

He joined 99SM in July 2008 as Account Manager and was the head of our Accounts Department, where he was responsible for the preparation of financial reports. He was subsequently promoted to Senior Account Manager in 2016, where in addition to his existing responsibilities, he acted as the liaison with our financiers. He assumed his current position as our General Manager of Account in 2023.

He has no conflict of interest in any business arrangement involving the Company and its subsidiaries, except for any that may arise due to his equity ownership in J&C Pacific Sdn Bhd.

KEY SENIOR MANAGEMENT'S PROFILE

Cont'd



Chia Yong Cherng

Director of Logistics

Malaysian | Aged 46 | Male

Mr Chia Yong Cherng has over 16 years of experience in the retail industry.

He obtained a Bachelor of Arts in International Business Administration from the University of Northumbria at Newcastle, England, in 2003.

He began his career as a field underwriter for American International Assurance Company, Ltd in 2002. He subsequently joined 99SM in 2006 as a Branch Leader and has since held a number of positions within our Group, including Branch Leader, Area Supervisor, Logistic and Warehouse Manager, Senior Distribution Centre (“DC”) Manager and General Manager of DC.

He assumed his current position of Director of Logistics in 2021 and is responsible for overseeing our Group’s supply chain, which includes the expansion and daily operations of our DCs as well as the logistics of the distribution of our products from our DCs to our outlets.

He has no conflict of interest in any business arrangement involving the Company and its subsidiaries, except for any that may arise due to his equity ownership in J&C Pacific Sdn Bhd and Radiant Globaltech Berhad.



Mohd Mahrus Bin Mohd Faizail

Senior Manager of Branch Administration

Malaysian | Aged 38 | Male

Mr Mohd Mahrus Bin Mohd Faizail has over 13 years of experience in the retail industry.

He obtained a Bachelor of Applied Arts with Honours from Universiti Malaysia Sarawak, Malaysia, in 2009.

He began his career in 2010 as an administrative officer for Fiverules Dynamic Sdn Bhd, where he was tasked with liaising with clients for quotations and project scheduling. He left to join 99SM in 2011 as an Assistant Branch Manager, where he supervised the daily operation of one of our outlets.

He rose through the ranks to become a Branch Manager, Area Manager, Assistant Manager of Operations, Division Manager of Branch Operations and finally, to his current position of Senior Manager of Branch Administration in 2023. His responsibilities include matters relating to outlet maintenance, handling product complaints and acting as liaison with governmental authorities such as Ministry of Domestic Trade and Cost of Living of Malaysia (MDTCL), Ministry of Health of Malaysia (MOH) and various other ministries.

KEY SENIOR MANAGEMENT'S PROFILE

Cont'd



Tee Tian Hock

Senior Manager of Project Department

Malaysian | Aged 50 | Male

Mr Tee Tian Hock has over 26 years of experience in the retail industry.

He completed an executive programme from SPACE known as Executive MBA programme in collaboration with Southern University College, in 2023.

He began his career when he first joined Ninety Nine Market (sole proprietorship of Mr Lee Thiam Wah) in 1992 as a store keeper. In 1995, he left to join Jastar Food Industries Sdn Bhd (now Linaco Food Industries Sdn Bhd), a food manufacturer, as a supervisor, where his duties include storekeeping and as a packing technician, until his resignation in 2000.

He joined 99SM as a retail development and technical supervisor from 2000 to 2003, where he was responsible for setting up new outlets, including preparation of the layout of our outlets and overseeing various other outlet operations.

He left for a brief period from 2003 to 2004 to set up a café business under Star Pisces Café Sdn Bhd, where he was a director. He returned to 99SM in 2004 as a maintenance and equipment executive, and rose through the ranks to become a Project Manager and assumed his current position of Senior Manager of Project Department in 2021. He is responsible for preparing the installation plans for new outlets as well as managing the installation of the racking systems, signboards, CCTV and alarm systems, etc, of our new outlets and DCs.

In 2023, he was given a new responsibility of overseeing our operations in the People's Republic of China ("PRC"), including sourcing of products as well as acting as liaison with our suppliers in the PRC. He is currently the legal representative and executive director of both of our PRC subsidiaries.

He has no conflict of interest in any business arrangement involving the Company and its subsidiaries, except for any that may arise due to his equity ownership in J&C Pacific Sdn Bhd and Radiant Globaltech Berhad.

Other information in respect to the Key Senior Management ("KSM"):

1. Save for Ms Lee Lay Liang and Ms Leong Sau Chan, none of the other KSM have any family relationships with any Director and/or major shareholder of the Company or its subsidiaries.
2. Saved as disclosed, none of the other KSM has any conflict of interest with the Company or its subsidiaries.
3. None of the KSM have any conviction for offences within the past five (5) years (other than traffic offences, if any) or have any public sanction or penalty imposed on them by any regulatory bodies during the financial year under review.
4. None of the KSM have any directorship in listed or non-listed public companies.

Chairman's Statement

“ Dear Shareholders,

The successful listing of 99 Speedmart on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 9 September 2024 marks a defining milestone in our 38-year journey. From humble beginnings as a small sundry shop to becoming a leading mini-market chain, our success has been driven by customer trust, operational excellence, and a commitment to growth. The confidence placed in us by our investors, customers, and employees reflects the strength of our business model and our ability to create long-term value.

”

As Malaysia’s largest Initial Public Offering (“IPO”) in recent years, this listing underscores our financial resilience and ambitious vision for the future. The proceeds have been strategically allocated to fund business expansion and debt repayment, reinforcing our financial position and operational stability. By February 2025, we successfully repaid all bank loans, enabling the Group to pursue new opportunities with greater flexibility and confidence.

In recognition of our IPO success, 99 Speedmart received notable accolades, including the Best Equity/IPO Deal of the Year & Best IPO for Retail Investors in Southeast Asia 2024 by Alpha Southeast Asia, as well as the Best IPO in Southeast Asia 2024 by the FinanceAsia, reflecting the collective efforts of our team and the trust placed in us by our stakeholders.

Financial and Operational Performance

99 Speedmart delivered a strong financial performance for the financial year ended 31 December 2024, with revenue reaching RM9,981.64 million, marking a year-on-year increase of 8.33%. Profit after taxation for the year stood at RM490.27 million, representing a 22.50% increase compared to the financial year ended 2023, partly driven by higher sales from new outlets and our 99 Bulksales e-commerce platform. Officially launched in late 2023 within the Klang Valley region, the platform has been well received, significantly contributing to revenue growth.



CHAIRMAN'S STATEMENT

Cont'd

2024 marked a year of significant expansion for the Group, growing from 100 outlets in 2008 to an impressive 2,778 outlets. The Group achieved its annual target with the addition of 252 new outlets. Looking ahead, our outlet expansion strategy will focus on greenfield openings in new townships, the east coast of Peninsular Malaysia and East Malaysia, while continuing growth in the southern and northern regions. With a collective target of 250 outlet openings annually, we aim to establish a comprehensive presence across Malaysia.

The Group's IPO represents a pivotal step in enhancing growth and credibility as we transition from a family-run business to a public limited company. This strategic move enables us to further professionalise the core management team, ensuring greater accountability and transparency, while positioning the Group for sustainable business growth.

Leveraging Strong Leadership and Management

Under the visionary leadership of our founder, Mr Lee Thiam Wah, the Group has cultivated a capable and experienced management team. Many members have been with the Group since inception, providing continuity and stability essential to our growth. Each role across our organisational chain, from procurement to outlet operations, is clearly defined, ensuring seamless collaboration and operational efficiency. To minimise risk and ensure continuity, we have established a well-planned succession strategy, reinforcing our resilience and agility while strengthening our competitive edge.

Amid a dynamic global economic landscape shaped by geopolitical tensions and market fluctuations, addressing customers' needs remains a priority. By consistently delivering essential products at competitive prices, we maintain our relevance and reliability. Given the indispensable nature of our offerings in everyday life, we foresee minimal adverse impacts on our Group. Regardless of economic conditions, we are confident in our ability to maintain stable operations and meet the evolving needs of our customers.

Integrity in Governance

At the heart of the Group's principles is a steadfast commitment to ethical conduct and integrity. The Board plays a key role in ensuring effective governance, which promotes transparency and safeguards sound operations. To uphold these values, 99 Speedmart has implemented comprehensive policies, including but not limited to Conflict of Interest, Anti-Bribery and Anti-Corruption Policies, all accessible on our Company's website.

Our commitment to integrity extends to fostering diversity within the Board, which brings together a wealth of expertise from diverse fields such as fast-moving consumer goods, law, tax, finance and banking, business ownership and public service. This breadth of experience enables us to effectively steer the Company, minimise risks and ensure a balanced perspective. With this solid foundation in place, we are well-equipped to respond to changing market conditions and take proactive steps to mitigate potential negative impacts.

Fostering Sustainability and Environmental Responsibility

One of the supplementary goals of the IPO was to accelerate the Group's adoption of environmental, social and governance (ESG) practices and strengthen its commitment to energy efficiency. With a substantial amount of equipment requiring upgrades - including air conditioning systems, refrigeration units, and trucks - the funds raised will support these enhancements, delivering both economic and environmental benefits more swiftly.

Our focus on renewable energy reflects our dedication to promote sustainability and reduce our carbon footprint. Solar photovoltaic (PV) systems are being progressively installed at both existing and upcoming distribution centres. To date, 15 out of 20 distribution centres, along with selected outlets and our headquarters, have been equipped with solar panels, contributing to cost-savings and reducing emissions from purchased electricity.

The Group's dedication to environmentally-friendly practices extends across our outlets. We have implemented numerous green initiatives to reduce energy consumption in our outlets, such as utilising inverter technology, Light Emitting Diode (LED) lighting and air curtains. These measures both enhance the shopping experience for our customers and provide long-term cost savings for the Group. In line with promoting sustainability, we encourage customers to make eco-friendly choices by offering reusable bags as replacements to single-use plastic bags.

Awards and Recognitions

We are proud to be the first retail company in Malaysia to achieve the Green Real Estate ("GreenRE") Platinum rating, a certification acknowledging eco-friendly practices in the built environment. This recognition was awarded to ten upgraded outlets and our headquarters, while two distribution centres received the Silver GreenRE rating, reflecting our focus on enhancing energy efficiency and future-proofing our facilities.

CHAIRMAN'S STATEMENT

Cont'd

Our dedication to social responsibility is demonstrated through our efforts to support disadvantaged and differently-abled individuals. At the PERKESO 2024 programme, "No One Marginalized MyFutureJobs OKU & TVET Career Carnival", 99 Speedmart was honoured with the Kesuma Madani OKU Employer Appreciation Certificate in recognition of our inclusive hiring practices. We are dedicated to providing equal job opportunities and take pride in currently employing over 130 differently-abled individuals.

Appreciation and Our Journey Forward

On behalf of the Board, I extend my sincere gratitude to our shareholders, customers and employees for their unwavering support. Our successful listing on the Main Market of Bursa Securities represents a landmark achievement for the Group, and we remain deeply committed to driving disciplined growth, operational excellence and long-term value.

I would also like to acknowledge the exceptional contributions of our Chief Executive Officer, management team and business partners, whose dedication and collaboration have been integral to our success. As we enter a new fiscal year, we are confident in our ability to navigate challenges, seize opportunities and build on the strong foundation we have established.

Thank you for your continued trust and support on this journey.

Dato' Chua Tia Guan

Chairman

99 Speed Mart Retail Holdings Berhad

PERNYATAAN PENGERUSI

Para Pemegang Saham Yang Dihargai,

Kejayaan penyenaian 99 Speedmart di Pasaran Utama Bursa Malaysia Securities Berhad (“**Bursa Securities**”) pada 9 September 2024 merupakan satu pencapaian penting dalam perjalanan kami selama 38 tahun. Dari sebuah kedai runcit kecil, kami kini menjadi rangkaian pasar mini terkemuka di Malaysia. Kejayaan ini didorong oleh kepercayaan pelanggan, kecemerlangan operasi dan komitmen berterusan terhadap pertumbuhan. Kepercayaan yang diberikan oleh pelabur, pelanggan dan pekerja kami mencerminkan kekuatan model perniagaan kami dan keupayaan kami mencipta nilai dan keuntungan untuk jangka masa yang panjang.

Sebagai Tawaran Awam Permulaan (“**IPO**”) terbesar di Malaysia dalam beberapa tahun kebelakangan ini, penyenaian ini menekankan daya tahan kewangan dan wawasan kami yang bercita-cita tinggi untuk masa depan. Hasilnya telah diperuntukkan secara strategik untuk membiayai pengembangan perniagaan dan pembayaran balik hutang, mengukuhkan kedudukan kewangan dan kestabilan operasi kami. Menjelang Februari 2025, kami berjaya melunaskan semua pinjaman bank, membolehkan kumpulan merebut peluang baharu dengan lebih fleksibel dan berkeyakinan.

Sebagai pengiktirafan atas kejayaan IPO kami, 99 Speedmart menerima pengiktirafan besar, termasuk Urus niaga Ekuiti/ IPO Terbaik Tahun Ini & IPO Terbaik untuk Pelabur Runcit di Asia Tenggara 2024 oleh Alpha Southeast Asia, serta IPO Terbaik di Asia Tenggara 2024 oleh FinanceAsia, yang mencerminkan usaha bersama pasukan kami dan kepercayaan yang diberikan oleh para pemegang taruh kami.

Prestasi Kewangan dan Operasi

99 Speedmart telah menunjukkan prestasi kewangan yang kukuh untuk tahun kewangan berakhir 31 Disember 2024, dengan mencatat hasil mencecah RM9,981.64 juta, menandakan peningkatan tahun ke tahun sebanyak 8.33%. Keuntungan selepas cukai bagi tahun tersebut berjumlah RM490.27 juta, peningkatan sebanyak 22.50% daripada 2023, sebahagiannya dipacu oleh jualan yang lebih tinggi daripada cawangan baharu dan platform e-dagang 99 Bulksales kami. Dilancarkan secara rasmi pada akhir 2023 di Lembah Klang, platform ini mendapat sambutan yang positif, dan telah menyumbangkan pertumbuhan hasil yang sangat ketara.

Tahun 2024 mencatatkan satu lagi pencapaian yang mengagumkan kepada kumpulan kami, berkembang daripada 100 buah cawangan pada 2008 kepada 2778 cawangan. Kumpulan mencapai sasaran tahunannya dengan penambahan 252 cawangan baharu. Pada masa hadapan, kami akan menumpukan pembukaan cawangan di kawasan yang belum diterokai di perbandaran baharu, pantai timur Semenanjung Malaysia serta Sabah dan Sarawak, sambil meneruskan pertumbuhan di Zon Selatan dan Utara. Dengan sasaran kolektif 250 pembukaan cawangan setiap tahun, kami menyasarkan pembukaan secara menyeluruh di seluruh Malaysia.

IPO kumpulan mewakili langkah penting dalam meningkatkan pertumbuhan dan kredibiliti ketika kami beralih daripada perniagaan yang dikendalikan oleh keluarga kepada syarikat awam berhad. Langkah strategik ini membolehkan pengurusan syarikat menjadi lebih profesional, memastikan akauntabiliti dan ketelusan yang lebih besar, sambil menempatkan kumpulan pada kedudukan pertumbuhan perniagaan yang stabil.

Memanfaatkan Kepimpinan dan Pengurusan yang Cemerlang

Di bawah kepimpinan berwawasan pengasas kami, Encik Lee Thiam Wah, kumpulan telah membentuk pasukan pengurusan yang berkebolehan dan berpengalaman. Sebahagian besar kakitangan pengurusan telah bersama kumpulan sejak penubuhan, memastikan kesinambungan dan kestabilan yang penting untuk pertumbuhan kami. Setiap peranan dalam rantai organisasi kami, daripada pembekal sehingga ke operasi cawangan, ditakrifkan dengan jelas, memastikan kerjasama yang lancar dan kecekapan operasi. Untuk meminimumkan risiko dan memastikan kesinambungan, kami telah mewujudkan strategi penggantian yang terancang, memperkukuh daya tahan dan ketangkasan kami sambil mengukuhkan kelebihan daya saing kami.

Di tengah-tengah landskap ekonomi global yang dinamik yang dibentuk oleh ketegangan geopolitik dan ketidakpastian pasaran, menangani keperluan pelanggan tetap menjadi keutamaan. Kami terus mengekalkan reputasi dan kebolehpercayaan kami dengan sentiasa menawarkan produk pada harga yang kompetitif. Memandangkan perniagaan kami melibatkan barangan keperluan asas dalam kehidupan seharian, kami menjangkakan kesan buruk yang minimum terhadap kumpulan kami. Tanpa mengira keadaan ekonomi, kami yakin dengan keupayaan kami untuk mengekalkan operasi yang stabil dan memenuhi keperluan pelanggan kami yang semakin berkembang.

Integriti dalam Tadbir Urus

Prinsip utama kumpulan ialah tanggungjawab yang teguh terhadap kelakuan beretika dan integriti. Lembaga Pengarah memainkan peranan penting dalam memastikan tadbir urus yang berkesan, menggalakkan ketelusan dan melindungi operasi yang kukuh. Untuk menegakkan nilai-nilai ini, 99 Speedmart telah melaksanakan dasar yang komprehensif, termasuk tetapi tidak terhad kepada Dasar Konflik Kepentingan, Antirasuah dan Antipenyelewangan, semuanya boleh diakses di laman sesawang korporat kami.

PERNYATAAN PENERUSA

Cont'd

Ketegasan kami terhadap isu integriti turut diperluaskan dengan penglibatan pelbagai platform dalam Lembaga Pengarah kami, yang menghimpunkan pelbagai kepakaran daripada pelbagai bidang seperti peruncitan, undang-undang, cukai, kewangan dan perbankan, perniagaan dan perkhidmatan awam. Pengalaman yang luas ini membolehkan kami mengemudi syarikat dengan berkesan, meminimumkan risiko dan memastikan perspektif yang seimbang. Dengan asas kukuh ini, kami bersedia untuk bertindak balas terhadap perubahan keadaan pasaran dan mengambil langkah proaktif untuk mengurangkan potensi kesan negatif.

Memperkuh Kelestarian dan Tanggungjawab Terhadap Alam Sekitar

Salah satu objektif tambahan di sebalik penyenaian IPO kami adalah untuk mempercepatkan penerapan amalan alam sekitar, sosial dan tadbir urus (ESG) oleh kumpulan serta memperkuh komitmen terhadap kecekapan tenaga. Dengan sebahagian besar peralatan operasi seperti sistem penyaman udara, peti sejuk dan kenderaan logistik yang perlu dinaiktaraf, dana yang diperolehi daripada IPO akan mempercepatkan usaha penambahbaikan ini, sekali gus memberi manfaat dari sudut ekonomi dan alam sekitar.

Tumpuan kami terhadap tenaga boleh diperbaharui mencerminkan tanggungjawab kami untuk memelihara kelestarian dan mengurangkan jejak karbon kami. Sistem fotovolt solar (PV) sedang dipasang secara berperingkat di pusat pengedaran sedia ada dan akan datang. Sehingga kini, 15 daripada 20 pusat pengedaran, bersama dengan cawangan terpilih dan ibu pejabat kami, telah dilengkapi dengan panel solar, menyumbang kepada penjimatan kos dan mengurangkan pelepasan karbon.

Tanggungjawab kumpulan terhadap amalan mesra alam merangkumi keseluruhan cawangan kami. Kami telah melaksanakan pelbagai inisiatif hijau untuk mengurangkan penggunaan tenaga di cawangan kami, seperti menggunakan teknologi inverter, pencahayaan Diod Pemancar Cahaya (LED) dan air curtain. Inisiatif yang dilaksanakan ini bukan sahaja memberikan keselesaan semasa berbelanja di cawangan, malah memberikan penjimatan jangka panjang kepada kumpulan. Selaras dengan usaha kami untuk mempraktikkan amalan gaya hidup lestari dalam kalangan pelanggan, kami telah menggalakkan pelanggan untuk membeli beg guna semula (Recycle Bag) sebagai pengganti kepada beg plastik semasa berbelanja.

Anugerah dan Pengiktirafan

Kami amat berbesar hati menjadi Syarikat Runcit pertama di Malaysia yang meraih Penarafan Platinum daripada Green Real Estate (“GreenRE”), perakuan yang mengiktiraf amalan mesra alam dalam persekitaran binaan. Pengiktirafan ini telah dianugerahkan kepada sepuluh cawangan terpilih serta ibu pejabat kami, manakala dua pusat pengedaran menerima penarafan Perak GreenRE, mencerminkan fokus berterusan kami dalam mentransformasikan operasi sedia ada kepada model perniagaan yang mesra alam untuk masa hadapan.

Dalam aspek tanggungjawab sosial, kami juga tidak terkecuali dalam memberikan sokongan berterusan kepada golongan yang kurang bernasib baik dan kelainan upaya. Dalam program PERKESO 2024, “No One Marginalized MyFutureJobs OKU & Karnival Kerjaya TVET”, 99 Speedmart telah diberi penghormatan menerima Sijil Penghargaan Majikan OKU Kesuma Madani untuk mengiktiraf pendekatan proaktif kami dalam menyediakan peluang pekerjaan kepada golongan kelainan upaya. Setakat ini kami telah menggaji lebih daripada 130 individu kelainan upaya, menjadikan mereka sebahagian daripada denyut nadi operasi kami.

Ucapan Setinggi Penghargaan

Bagi pihak Lembaga, saya merakamkan setinggi-tinggi penghargaan kepada para pemegang saham, pelanggan-pelanggan dan seluruh warga kerja 99 Speedmart atas sokongan mereka yang tidak berbelah bahagi. Kejayaan penyenaian kami di Pasaran Utama Bursa Securities mewakili pencapaian penting bagi kumpulan, dan kami kekal komited untuk memacu pertumbuhan berterusan, kecemerlangan operasi dan nilai jangka panjang.

Saya juga ingin menzahirkan penghargaan kepada Ketua Pegawai Eksekutif, pasukan pengurusan dan rakan-rakan perniagaan strategi kami atas kepimpinan yang cekap serta kerjasama yang erat yang menjadi nadi kepada kejayaan kita bersama. Ketika kami memasuki tahun kewangan baharu, kami yakin dengan keupayaan kami untuk mengharungi cabaran, merebut peluang dan terus membangun pada asas kukuh yang telah kami wujudkan.

Terima kasih atas sokongan dan kepercayaan serta menjadi sebahagian daripada perjalanan kami.

Dato' Chua Tia Guan

Pengerusi

99 Speed Mart Retail Holdings Berhad

主席致辞

尊敬的各位股东，

99 Speedmart于2024年9月9日成功在马来西亚证券交易所主板上市，标志着38年长久耕耘的重要里程碑。从一家小杂货店起步，如今已发展为知名的连锁迷你超市，始终坚守诚信经营、精益求精，并不断追求成长。投资者、客户和员工的信任，正是对我们的商业模式优势和长期价值创造能力的最佳印证。

作为马来西亚近年来规模最大的首次公开发售(简称“IPO”)，此次上市充分展现我们的财务韧性与远见卓识。募资所得已策略性运用于业务扩展与债务偿还，进一步巩固财务基础，提升营运稳定性。我们已于2025年2月成功清偿所有银行贷款，这使集团能够更加灵活并更有信心地把握新机遇。

99 Speedmart凭借成功的IPO，荣获多项殊荣，包括Alpha 东南亚评选为2024年东南亚最佳股权/IPO交易和东南亚散户投资者最佳IPO，以及金融亚洲颁发2024年东南亚最佳IPO。这些奖项充分体现团队的共同努力，也彰显出利益相关方的信任。

财务与营运表现

截至2024年12月31日财政年，99 Speedmart财务表现强劲，营收达99亿8,164万令吉，按年增长8.33%。税后盈利为4亿9,027万令吉，较2023财政年增长22.50%。新开门店及99 Speedmart电子商务平台“99 Bulksales”销售增长，是推动业绩提升的关键因素。该平台于2023年底在巴生谷地区正式推介，广受好评，为营收增长作出重要贡献。

2024年是集团大幅扩张的一年，成功达成年度目标，新增252家门店，总数从2008年的100家增长至2,778家。展望未来，扩张策略将聚焦于新城镇、马来西亚半岛东海岸及东马的全新开店计划，同时持续推进南马与北马的发展。我们计划每年新增250家门店，力求构建覆盖全马的零售网络。

集团的IPO是从家族企业迈向公众有限公司的关键一步，标志着在推动增长与提升信誉方面取得重要突破。此策略举措有助核心管理团队更趋专业化，强化责任意识与透明度，同时为集团的可持续发展奠定坚实基础。

卓越领导与高效管理

在创始人李良华先生的远见卓识领导下，集团培养出一支高效且经验丰富的管理团队。许多成员自集团成立以来一路同行，为企业的稳健发展提供有力保障。集团组织架构清晰，各环节从采购到门店营运均职责明确，确保高效协作与顺畅运作。为降低风险并确保企业可持续发展，我们制定完善的传承计划，不仅增强集团的韧性与灵活性，也进一步巩固竞争优势。

在全球经济受地缘政治紧张局势和市场波动影响的环境下，满足客户需求始终是我们的首要任务。我们持续以具竞争力的价格提供日常必需品，确保和客户紧密相连，并获得信赖。鉴于我们的产品在日常生活中不可或缺，预计大环境对本集团的影响将是有限的。无论经济形势如何，我们始终有信心稳健营运，以满足客户不断变化的需求。

重视治理 秉持诚信

集团秉持诚信原则，坚守道德规范。董事局在推动有效治理、提升透明度及保障稳健营运方面发挥关键作用。为持守这些核心价值观，99 Speedmart已制定全面政策，包括但不限于利益冲突、反贿赂及反腐败政策，所有相关内容均可在公司官网查阅。

董事局成员汇聚来自快速消费品、法律、税务、金融与银行、企业经营及公共服务等领域的资深专才，如此多元化的组合不仅彰显我们对诚信的承诺，更凭借丰富的专业背景，高效引领公司发展，降低风险，并确保决策视角的平衡。在此坚实基础上，我们有能力应对市场变化，并积极采取措施以减轻潜在负面影响。

主席致辞

续

促进可持续发展 承担环境责任

IPO的其中一个附属目标是加速集团推进环境、社会及治理(ESG)，并提升能源效率。鉴于大量设备亟需升级，包括空调系统、冷藏设备及运输卡车，所筹资金将协助这些改造，更快实现经济与环境双重效益。

我们积极推动可再生能源，致力于可持续发展和减少碳足迹。目前，我们正逐步在现有及新建的配送中心安装太阳能光伏(“PV”)系统。截至目前，20个配送中心中已有15个，以及部分门店和公司总部完成安装PV系统，助力节约成本并降低从采购电力带来的碳排放。

集团在各门店积极推行环保措施，采取多项节能举措，如采用变频技术、LED照明灯和空气帘，以降低能耗。这些措施不仅优化顾客的购物体验，同时有助于集团实现长期成本节约。为推动可持续发展，我们鼓励顾客采用可重复使用的环保袋，取代使用一次性塑料袋。

获奖表彰 备受肯定

我们荣幸成为马来西亚首家获颁绿色房地产(简称“GreenRE”)白金级认证的零售公司，肯定我们在建筑环境实行环保举措。十家升级门店及总部获此殊荣，另有两个配送中心获银级认证，展现我们持续提升能源效率并确保设施符合未来发展需求。

我们积极支持弱势群体和残障人士，实践社会责任。在PERKESO 2024计划的“MyFutureJobs OKU & TVET职业嘉年华”活动中，99 Speedmart 荣获Kesuma Madani OKU雇主奖，表彰我们在招聘员工时实践包容与多元原则。我们致力于提供平等就业机会，并以目前雇佣超过130名残障友为荣。

感恩相伴 共创未来

我谨代表董事局，衷心感谢全体股东、客户和员工的坚定支持。集团成功在马来西亚证券交易所主板上市，标志着重要里程碑。我们将继续专注于推动稳健增长、提升营运水平，并创造长期价值。

我还要特别感谢首席执行官、管理团队和商业伙伴，他们的卓越贡献与紧密合作是集团成功的重要支柱。迎接新财政年度之际，我们满怀信心，应对挑战，把握机遇，并在坚实基础上持续发展壮大。

感谢大家一直以来的信任与支持，与我们携手同行。

拿督蔡兆源

主席

99 Speed Mart Retail Holdings Berhad

Chief Executive Officer's Statement

“

For over 30 years, we have remained dedicated to affordability, accessibility and excellent customer service—values embodied in our Near n' Save ethos.

”



Dear Shareholders,

Our listing on Bursa Malaysia Securities Berhad—the largest Initial Public Offering (“IPO”) in seven years, coupled with the release of our inaugural Annual Report, has made 2024 a landmark year for us. Achieving these milestones amid market fluctuations reaffirms our commitment to serving customers, supporting communities and driving expansion.

As I reflect on the past year, I am pleased to share that 99 Speedmart has successfully met our financial and business targets, further strengthening our position as a trusted and reliable neighbourhood mini-market. For over 30 years, we have remained dedicated to affordability, accessibility and excellent customer service—values embodied in our Near n' Save ethos. Our steady growth has been guided by a robust management system and stringent processes, enabling us to navigate complexities and transform challenges into opportunities for progress and resilience.

Throughout the year, we have upheld a forward-thinking approach, continuously evolving, learning and refining every aspect of our business. Our unwavering commitment ensures that we remain agile in an ever-changing landscape while delivering value to our customers.

Financial Performance

99 Speedmart recorded RM9,981.64 million in revenue this financial year, reflecting a healthy 8.33% growth as compared to previous financial year. This achievement is a testament to the efforts of our dedicated employees, the trust of our customers and the support of our business partners. More importantly, it underscores the resilience of our strategies and our ability to navigate changing market conditions.

We closed the year with a profit after taxation of RM490.27 million, driven by robust operating income and disciplined cost management, including cost of sales, operating expenses, finance costs and depreciation. Excluding one-off IPO listing expenses and special employee bonuses, the Group achieved a normalised profit after taxation of RM512.39 million.

CHIEF EXECUTIVE OFFICER'S STATEMENT

Cont'd

Recognising that our people are the cornerstone of our success, we invested approximately RM750.67 million in 2024 towards employee wages, welfare, benefits and training for our approximately 23,000-strong talent pool, ensuring we continue to nurture talent and build a strong, engaged workforce. In line with our commitment to delivering value, we contributed approximately RM164.77 million in income tax to support national development.

In addition, total sales transactions rose from 413.25 million in 2023 to 465.50 million in 2024. The increase was driven by evolving consumer behaviour with a growing preference for smaller but more frequent purchases—an emerging trend supported by the accessibility and convenience that 99 Speedmart consistently delivers.

We also allocated approximately RM5.33 million towards environmental, social and governance (“ESG”) initiatives and charitable contributions, reinforcing our efforts to create a meaningful and lasting impact on the communities we serve, including the donation of 210 units of automated external defibrillators (“AEDs”) to the Ministry of Health of Malaysia to strengthen emergency response capabilities.

Maximising Value Through Financial Prudence

Our public listing has provided crucial funds to drive growth through expansion, debt reduction and improved cash flow. Moreover, interest income has bolstered our earnings. While these resources unlock new opportunities, we exercise financial discipline in our investment decisions. Prudent financial management has enabled us to ensure timely supplier payments and secure favourable procurement discounts, strengthening revenue and profitability.

At 99 Speedmart, expansion remains a key strategy—each new outlet strengthens our purchasing power, allowing us to negotiate better supplier pricing. Staying true to our growth ambitions, we expanded our footprint by opening 252 new outlets, bringing our total to 2,778 outlets nationwide in 2024. This growing network further enhances our ability to serve consumers with affordable and convenient shopping.

Stability and reliability are the cornerstones of investor confidence, and we will continue to uphold these principles to ensure long-term business sustainability. By balancing expansion with steady shareholder returns, we adopt a disciplined investment approach—focusing on infrastructure and technology that drive operational excellence. Our commitment to efficiency is strengthened through automation, predictive analytics and smart procurement strategies, enabling streamlined inventory management and an enhanced customer experience.

99 Bulksales and Market Strategy

One of the key highlights of the past year has been the overwhelming response to our 99 Bulksales e-commerce platform, officially launched across the Klang Valley in late 2023. Initially introduced as a necessity during the lockdown, bulk purchasing has remained a strong consumer trend. In response, we continue to offer 99 Bulksales at no additional cost, providing customers with cost-effective solutions while optimising operational efficiency.

Our ability to leverage our existing logistics network and procurement team ensures that these costs are negligible, emphasising our strategic approach to scaling operations without compromising affordability or service quality. As a result, the platform has attracted a diverse customer base, including restaurants, hawker stalls, offices and large households, contributing to steady revenue growth. While margins are lower, the absence of rental costs sustains profitability, positioning 99 Bulksales as a key growth driver.

Building on our success, we expanded the platform into the southern region in July 2024, followed by the northern region in November 2024. Looking ahead, we plan to extend our reach to the east coast and ultimately across all of Peninsular Malaysia, providing greater accessibility for customers nationwide.

With these strategic moves, we are optimistic that the 99 Bulksales e-commerce platform will continue to grow, bringing even greater value to businesses and households across Malaysia.

To further strengthen our business, we have adopted a direct sourcing strategy, bypassing intermediaries and purchasing directly from brand principals or manufacturers. This enhances purchasing power, lowers procurement costs and improves supply chain efficiency—allowing us to offer competitive prices while strengthening margins.

Building Resilience and Sustaining Growth

Resilience and adaptability have always been at the heart of our business. While economic fluctuations and inflation present challenges, our flat organisational structure enables agile decision-making and efficiency, allowing us to navigate uncertainties while sustaining profitability.

Our mini-markets cater to a diverse customer base, serving Malaysian consumers across various income groups by ensuring a steady supply of affordable essentials despite external challenges. As the high income customer segment continues to grow, we see an opportunity to diversify our offerings. To better serve this demographic, we plan to introduce a wider range of premium products, enhancing our competitiveness while maintaining our dedication to affordability for our core middle and low income customers. Our balanced approach enables us to adapt to evolving consumer needs while remaining accessible to all.

CHIEF EXECUTIVE OFFICER'S STATEMENT

Cont'd

We take a proactive approach by strategically stocking key products and working closely with suppliers, sharing demand forecasts to support efficient production and logistics. To ensure our shelves remain stocked with the right products at the right prices, we leverage technology to analyse sales data, anticipate demand trends, optimise inventory and automate orders at our distribution centres (“DCs”). These efficiencies help minimise shortages, improve product availability and enhance the overall shopping experience.

Simultaneously, we remain committed to balancing growth with affordability. Given our outlets' limited shelf space, we carefully curate our product selection to ensure every item aligns with customer demand. Currently, we offer over 3,000 high-demand stock-keeping units (SKUs). This strategic approach allows us to optimise our product mix, strengthen supplier relationships and negotiate better pricing—ensuring our customers continue to have access to quality products at affordable prices.

Advancing Our Business Sustainably

Sustainability is more than a corporate responsibility—it is a commitment to the communities we serve. As consumers become increasingly conscious of their choices, we recognise the importance of embedding sustainability into our daily operations. To ensure meaningful progress, we have established key performance indicators (KPIs) to meet ESG targets across our business.

In 2023, we were honoured to have received certifications from Green Real Estate (“GreenRE”), a prominent green building certification body in Malaysia. Our headquarters in Klang and 10 outlets achieved GreenRE Platinum certification, reflecting a 20% reduction in greenhouse gas (GHG) emissions, while two of our DCs received GreenRE Silver certifications, demonstrating an average GHG reduction exceeding 50%. This achievement aligns with our ongoing efforts to reduce energy consumption through strategic investments in energy-efficient technologies.

We have also installed solar panels at our outlets and DCs, along with Light Emitting Diode (LED) lighting, inverter air conditioners and non-heated glass freezers. These initiatives have enhanced operational efficiency while keeping costs under control. The impact is evident—as the rise in electricity costs is lower than the increase in the number of new outlets in 2024. Moving forward, we plan to expand solar panel installations across more outlets by 2025, further reducing electricity consumption and lowering our carbon footprint.

Waste reduction is another key focus area, exemplified by our “No Plastic Bag” policy. To encourage plastic waste reduction, we distributed 1,000 free recyclable shopping bags at the opening of every new outlet. Demonstrating our commitment, 99 Speedmart takes full responsibility for these bags, offering to buy them back and replace damaged ones at no cost.

Looking ahead, we will continue making meaningful investments in sustainability. While our steps may seem small, their impact over time will contribute to long-term profitability and a better future for our business, our customers and the communities we serve.

Closing Remarks and Acknowledgements

As we enter the next phase of growth, the Group will persist in efforts to expand the household retail sector while upholding strong financial performance to drive sustainable, long-term value for our business and stakeholders. With a solid foundation, a clear strategic roadmap and a steadfast focus on innovation and operational excellence, we are well-positioned to capitalise on emerging opportunities and navigate evolving market dynamics. Moving forward, we will strengthen our market presence, elevate customer experiences and create lasting positive impact – ensuring a prosperous future for all.

On this note, I would like to express my deepest appreciation to everyone who has been part of our journey. To our shareholders, thank you for your trust and confidence. My sincere appreciation also goes to our advisers and board members – your guidance before and after our public listing has been invaluable. To our business partners, we value your continued collaboration and shared commitment to growth.

Most importantly, I would like to extend my heartfelt gratitude to our employees – your dedication and hard work are the driving force behind our success. Every milestone we achieve is a testament to your efforts.

As we look ahead, I invite all our stakeholders, partners and customers to continue this journey with us. Together, we can build a stronger, more resilient and sustainable future.

Thank you for your trust and support.

Lee Thiam Wah

Executive Director and Chief Executive Officer
99 Speed Mart Retail Holdings Berhad

PERNYATAAN KETUA PEGAWAI EKSEKUTIF

Para Pemegang Saham Yang Dihargai,

Penyenaraian kami di Bursa Malaysia Securities Berhad—Tawaran Awam Permulaan (“**IPO**”) terbesar dalam tempoh tujuh tahun diterbitkan bersama dengan pelancaran Laporan Tahunan pertama kami, telah menjadikan 2024 sebagai tahun yang sangat bermakna bagi kami. Pencapaian kejayaan ini di sebalik ketidaktentuan pasaran telah mengukuhkan lagi pendirian kami untuk terus memberikan perkhidmatan kepada pelanggan, menyokong komuniti serta memacu pertumbuhan.

Mengimbu semula 12 bulan yang lalu, sukacita dimaklumkan 99 Speedmart telah berjaya mencapai sasaran kewangan dan perniagaan yang ditetapkan, secara tidak langsung telah menunjukkan prestasi syarikat yang kukuh sebagai rangkaian pasar mini kejiranan yang dipercayai dan diyakini oleh masyarakat. Tiga dekad telah berlalu, namun 99 Speedmart tetap komited kepada prinsip teras kami dalam menawarkan harga yang berpatutan, dekat dengan pelanggan serta memberikan perkhidmatan yang terbaik selaras dengan slogan kami iaitu Near n Save. Sistem pengurusan yang teratur serta pelaksanaan proses kerja yang sistematik merupakan pendekatan yang diambil dalam memastikan segala halangan diatasi dengan betul secara tidak langsung mengubah kepada peluang strategik untuk pembangunan dan peningkatan daya tahan syarikat secara keseluruhan.

Sepanjang tahun tersebut, kami mengambil pendekatan progresif ke hadapan, dengan sentiasa berkembang dan menambah baik segala aspek perniagaan kami, serta memberikan tumpuan yang tidak berbelah bahagi dalam memastikan kestabilan perniagaan yang sentiasa berubah, sambil memberikan perkhidmatan terbaik kepada pelanggan.

Prestasi Kewangan

99 Speedmart mencatatkan pendapatan RM9,981.64 juta pada tahun kewangan ini, mencerminkan pertumbuhan yang sihat pada 8.33% berbanding tahun kewangan sebelumnya. Pencapaian ini adalah bukti usaha kakitangan kami yang berdedikasi, kepercayaan pelanggan kami dan sokongan rakan kongsi perniagaan kami. Lebih penting lagi, ia menekankan daya tahan strategi kami dan keupayaan kami untuk mengemudi keadaan pasaran yang sentiasa berubah.

Kami menutup tahun kewangan dengan mencatat keuntungan selepas cukai sebanyak RM490.27 juta, yang disokong oleh pendapatan operasi yang kukuh dan pengurusan kos yang berdisiplin, termasuk kos jualan, perbelanjaan operasi, kos kewangan dan susut nilai. Tidak termasuk perbelanjaan penyenaraian IPO yang berlaku sekali sahaja dan bonus khas pekerja, kumpulan mencapai keuntungan selepas cukai normal sebanyak RM512.39 juta.

Menyedari bahawa kakitangan kami merupakan tunjang kejayaan syarikat kami melabur kira-kira RM750.67 juta pada tahun 2024 bagi tujuan pembayaran gaji, kebajikan, manfaat dan latihan untuk warga kerja kami berjumlah kira-kira 23,000 orang, dalam memupuk bakat dan membina tenaga kerja yang kukuh dan berdaya saing. Selaras dengan tanggungjawab kami dalam menyumbang kepada masyarakat dan negara, kami turut menyumbangkan kira-kira RM164.77 juta dalam bentuk cukai pendapatan bagi menyokong pembangunan negara.

Di samping itu, jumlah transaksi jualan meningkat daripada 413.25 juta pada 2023 kepada 465.50 juta pada 2024. Peningkatan ini dipacu oleh perubahan pengguna yang cenderung membuat pembelian yang lebih kecil tetapi lebih kerap—satu trend baru muncul yang disokong oleh kebolehcapaian dan kemudahan yang disediakan oleh 99 Speedmart.

Kami juga memperuntukkan kira-kira RM5.33 juta untuk inisiatif alam sekitar, sosial dan tadbir urus (“**ESG**”) serta sumbangan amal, mengukuhkan usaha kami untuk mewujudkan impak bermakna dan berkekalan kepada komuniti yang terlibat, termasuk sumbangan 210 unit Defibrilator Luaran Automatik (“**AEDs**”) kepada Kementerian Kesihatan Malaysia untuk mengukuhkan keupayaan tindak balas kecemasan.

PERNYATAAN KETUA PEGAWAI EKSEKUTIF

Cont'd

Memaksimumkan Nilai Melalui Kewangan yang Berhemat

Penyenaraian awam kami telah menyediakan dana penting untuk memacu pertumbuhan melalui penambahan cawangan, pengurangan hutang dan peningkatan aliran tunai. Selain itu, pendapatan faedah turut menyumbang kepada peningkatan hasil kami. Walaupun sumber ini membuka banyak peluang, kami sentiasa mengamalkan disiplin kewangan dalam setiap keputusan pelaburan. Pengurusan kewangan yang berhemat membolehkan kami membuat pembayaran kepada pembekal tepat pada masanya serta memperoleh diskaun pembelian yang menguntungkan, dan seterusnya memperkukuh pendapatan serta keuntungan syarikat.

Pelaksanaan strategi pengembangan cawangan terus menjadi tumpuan utama di 99 Speedmart. Pembukaan cawangan baharu bukan sahaja memperluas jaringan operasi kami, malah turut memperkukuh kuasa beli syarikat serta membolehkan rundingan harga yang lebih kompetitif dengan para pembekal. Berlandaskan matlamat pertumbuhan kami, kami telah membuka 252 cawangan baharu, menjadikan jumlah keseluruhan cawangan kami kepada 2,778 buah cawangan di seluruh negara pada 2024. Rangkaian yang semakin berkembang ini meningkatkan lagi keupayaan kami dalam memberi perkhidmatan kepada pengguna untuk membeli barangan dengan harga yang lebih berpatutan dan berdekatan dengan pelanggan.

Kestabilan dan kebolehpercayaan adalah asas keyakinan pelabur, dan kami akan terus mempertahankan prinsip ini untuk memastikan kemampanan perniagaan jangka panjang. Demi mengimbangi pengembangan perniagaan dengan pulangan pemegang saham yang stabil, kami mengamalkan pendekatan pelaburan yang berdisiplin—memberi tumpuan pada infrastruktur dan teknologi yang memacu kecemerlangan operasi. Komitmen kami terhadap kecekapan diperkukuh melalui automasi, analisis ramalan dan strategi perolehan pintar, membolehkan pengurusan inventori yang diperkemas dan pengalaman pelanggan yang dipertingkatkan.

99 Bulksales dan Strategi Pasaran

Salah satu pencapaian utama tahun lalu adalah sambutan luar biasa terhadap platform e-dagang 99 Bulksales, yang dilancarkan secara rasmi di Lembah Klang pada penghujung 2023. Diperkenalkan sebagai satu keperluan semasa tempoh kawalan pergerakan, pembelian pukal kekal sebagai pilihan pengguna. Sebagai timbal balas, kami terus menawarkan 99 Bulksales tanpa kos tambahan, menawarkan penyelesaian kos yang efektif kepada pelanggan sambil mengoptimalkan kecekapan operasi.

Keupayaan kami untuk memanfaatkan rangkaian logistik serta pasukan sedia ada dalam memastikan kos yang terlibat adalah minimum, menekankan pendekatan strategik kami untuk menskalakan operasi tanpa menjejaskan kemampuan atau kualiti perkhidmatan. Hasilnya, platform itu telah menarik pelbagai jenis pelanggan, termasuk restoran, gerai penjaja, pejabat dan isi rumah yang besar, menyumbang kepada pertumbuhan hasil yang stabil. Walaupun margin lebih rendah, ketiadaan kos sewa mengekalkan keuntungan, meletakkan 99 Bulksales sebagai pemacu pertumbuhan utama.

Berdasarkan kejayaan ini, kami telah memperluaskan platform ke Zon Selatan pada Julai 2024, diikuti oleh Zon Utara pada November 2024. Perancangan masa hadapan, kami merancang untuk memperluaskan operasi kami ke pantai timur dan akhirnya ke seluruh Semenanjung Malaysia, menyediakan akses yang lebih besar untuk pelanggan di seluruh negara.

Melalui langkah strategik ini, kami optimis bahawa platform e-dagang 99 Bulksales mampu untuk terus berkembang seterusnya memberi nilai yang lebih besar kepada perniagaan dan isi rumah di seluruh Malaysia.

Untuk mengukuhkan lagi perniagaan kami, kami telah menggunakan strategi pembelian terus melalui pengeluar atau pemilik jenama. Secara tidak langsung, ini telah meningkatkan kuasa beli, mengurangkan kos perolehan dan meningkatkan kecekapan rantaian bekalan—membolehkan kami menawarkan harga yang kompetitif, pada masa yang sama mengukuhkan margin keuntungan.

PERNYATAAN KETUA PEGAWAI EKSEKUTIF

Cont'd

Membina Kecekalan dan Mengekalkan Pertumbuhan

Kecekalan dan daya tahan sentiasa menjadi teras perniagaan kami. Walaupun turun naik ekonomi dan inflasi memberikan cabaran, struktur organisasi sedia ada kami membolehkan kami membuat keputusan dengan pantas dan efisien, membolehkan kami mengemudi ketidaktentuan sambil mengekalkan keuntungan.

Pasar mini kami memenuhi keperluan asas pelanggan yang pelbagai, memberi perkhidmatan kepada pengguna di Malaysia merentasi pelbagai kumpulan pendapatan dengan memastikan bekalan barangan keperluan mampu milik yang stabil walaupun menghadapi cabaran luar. Apabila kategori pelanggan berpendapatan tinggi semakin bertambah, kami melihat peluang untuk mempelbagaikan tawaran produk. Untuk memenuhi permintaan ini, kami merancang untuk memperkenalkan rangkaian produk premium yang lebih luas, meningkatkan daya saing kami sambil mengekalkan komitmen kami terhadap harga berpatutan untuk pelanggan golongan pertengahan dan berpendapatan rendah. Pendekatan seimbang ini membolehkan kami menyesuaikan diri dengan perubahan keperluan pengguna namun masih boleh diakses oleh semua pengguna.

Kami mengambil pendekatan yang proaktif dengan menyimpan stok produk utama secara strategik dan menjalinkan kerjasama yang erat dengan pembekal, berkongsi ramalan permintaan untuk menyokong pengeluaran dan logistik yang cekap. Untuk memastikan rak kami terus dipenuhi dengan produk yang sesuai serta harga yang betul, kami memanfaatkan teknologi untuk menganalisis data jualan, menjangka arah aliran permintaan, mengoptimalkan inventori dan mengautomatiskan pesanan di pusat pengedaran kami. Kecekapan ini membantu meminimumkan kekurangan, menambah baik ketersediaan produk dan meningkatkan pengalaman membeli-belah secara keseluruhan.

Pada masa yang sama, kami kekal komited untuk mengimbangi pertumbuhan dengan kemampuan. Dengan ruang rak yang terhad di cawangan kami, kami memilih produk dengan teliti bagi memastikan setiap barangan memenuhi permintaan pelanggan. Pada masa ini, kami menawarkan lebih 3,000 unit penyimpanan stok (SKU) yang mendapat permintaan yang tinggi. Pendekatan strategik ini membolehkan kami mengoptimalkan campuran produk kami, mengukuhkan hubungan pembekal dan merundingkan harga yang lebih baik—memastikan pelanggan kami terus mendapat akses kepada produk berkualiti dengan harga yang berpatutan.

Memajukan Perniagaan Kami Secara Mampan

Kelestarian bukan hanya sekadar tanggungjawab korporat—ia adalah tanggungjawab kepada komuniti yang kami perlu pertingkatkan dari masa ke masa. Apabila pengguna semakin sedar tentang pilihan mereka, kami menyedari kepentingan untuk memasukkan prinsip kelestarian ke dalam operasi harian kami. Untuk memastikan kemajuan ini berjaya dicapai, kami telah menetapkan penunjuk prestasi utama (KPI) untuk memenuhi sasaran ESG di seluruh perniagaan kami.

Pada tahun 2023, kami telah menerima pensijilan daripada Green Real Estate (“GreenRE”), badan pensijilan bangunan hijau terkemuka di Malaysia. Ibu pejabat kami di Klang dan 10 cawangan mencapai pensijilan GreenRE Platinum, berjaya mengurangkan 20% dalam pelepasan gas rumah hijau (“GHG”), manakala dua daripada DC kami menerima pensijilan Perak GreenRE, menunjukkan purata pengurangan GHG melebihi 50%. Pencapaian ini sejajar dengan usaha berterusan kami untuk mengurangkan penggunaan tenaga melalui pelaburan strategik dalam teknologi cekap tenaga.

Kami juga telah memasang panel solar di cawangan dan pusat pengedaran kami, bersama dengan pencahayaan Diod Pemancar Cahaya (LED), penyaman udara inverter dan peti sejuk jimat tenaga. Inisiatif ini telah meningkatkan kecekapan operasi sambil mengekalkan kos sentiasa terkawal. Kesannya jelas—apabila kenaikan kos elektrik adalah lebih rendah daripada peningkatan dalam bilangan cawangan baharu pada tahun 2024. Pada masa hadapan, kami merancang untuk mengembangkan pemasangan panel solar di lebih banyak cawangan menjelang 2025, mengurangkan lagi penggunaan elektrik dan mengurangkan jejak karbon kami.

Pengurangan pembuangan sisa plastik juga merupakan fokus utama kami, dengan pelaksanaan kempen “Tanpa Beg Plastik”. Untuk menggalakkan pengurangan sisa plastik, kami mengedarkan 1,000 beg membeli-belah boleh dikitar semula secara percuma pada pembukaan setiap cawangan baharu. Sebagai bukti kepada tanggungjawab kami, 99 Speedmart bertanggungjawab sepenuhnya untuk beg ini, menawarkan untuk membelinya semula dan menggantikan yang rosak tanpa sebarang kos.

Pada masa hadapan, kami akan terus membuat pelaburan yang bermakna dalam kemampuan. Walaupun langkah kami mungkin kelihatan kecil, impaknya dalam jangka panjang akan menyumbang kepada keuntungan jangka panjang dan masa depan yang lebih baik untuk perniagaan kami, pelanggan kami dan komuniti yang kami layani.

PERNYATAAN KETUA PEGAWAI EKSEKUTIF

Cont'd

Ucapan Penutup dan Terima Kasih

Menuju fasa pertumbuhan seterusnya, kumpulan akan meneruskan usaha untuk mengembangkan sektor peruncitan isi rumah sambil mengekalkan prestasi kewangan yang kukuh untuk memacu nilai jangka panjang yang mampan untuk perniagaan dan pihak berkepentingan kami. Dengan asas yang kukuh, pelan hala tuju strategik yang jelas dan tumpuan yang teguh pada inovasi dan kecemerlangan operasi, kami berada pada kedudukan yang baik untuk memanfaatkan peluang yang muncul dan mengemudi dinamik pasaran yang semakin berkembang. Pada masa hadapan, kami akan mengukuhkan kehadiran pasaran kami, meningkatkan pengalaman pelanggan dan mencipta impak positif yang berkekalan – memastikan masa depan yang makmur untuk semua.

Dengan ini, saya ingin merakamkan setinggi-tinggi penghargaan kepada semua yang telah menjadi sebahagian daripada perjalanan kami. Kepada pemegang saham kami, terima kasih atas kepercayaan dan keyakinan anda. Penghargaan ikhlas saya juga ditujukan kepada penasihat-penasihat dan ahli-ahli lembaga kami - bimbingan anda sebelum dan selepas penyenaian awam amat kami hargai. Kepada rakan kongsi perniagaan kami, kami menghargai kerjasama berterusan anda dan komitmen bersama untuk pertumbuhan.

Paling penting, saya ingin merakamkan setinggi-tinggi penghargaan kepada para pekerja kami - dedikasi dan kerja keras anda adalah pendorong di sebalik kejayaan kami. Setiap pencapaian yang kami capai adalah bukti usaha anda.

Melangkah ke hadapan, saya menjemput semua pemegang kepentingan, rakan kongsi dan pelanggan-pelanggan untuk meneruskan perjalanan ini bersama kami. Bersama-sama, kita boleh membina masa depan yang lebih kukuh, lebih berdaya tahan dan mampan.

Terima kasih atas kepercayaan dan sokongan anda.

Lee Thiam Wah

Pengarah Eksekutif dan Ketua Pegawai Eksekutif
99 Speed Mart Retail Holdings Berhad

首席执行官致辞

尊敬的各位股东，

2024年对本集团而言意义非凡。这一年，我们顺利在马来西亚证券交易所上市，完成国内七年来最大规模的首次公开发售(简称“IPO”)，并发布首份年度报告。在市场波动中取得这些里程碑式的成就，再次彰显了我们坚定不移的承诺——服务客户、支持社区、推动业务增长。

回顾过去一年，我欣然分享，99 Speedmart成功实现财务和业务目标，进一步巩固其作为值得信赖的社区迷你超市的地位。30多年来，我们始终坚持“又近又便宜”(Near n' Save)的经营理念，专注于提供实惠、便捷和优质的客户服务。凭借稳健的管理体系和严格的营运流程，我们持续成长，从容应对复杂局面，将挑战转化为推动进步与增强韧性的机遇。

在过去一年里，我们始终秉持前瞻思维，不断发展、学习并优化业务各个环节。凭借坚定不移的承诺，我们在瞬息万变的环境中保持灵活应对，同时持续为客户创造价值。

财务表现

99 Speedmart在本财政年度录得99亿8,164万令吉营收，与前一个财政年相比稳健增长8.33%。此成就归功于敬业员工的付出、客户信任和业务伙伴支持。更重要的是，这彰显了我们的策略具备韧性，能在瞬息万变的市场环境中灵活应对。

在强劲营收和严谨成本管理(涵盖销售成本、营运开销、财务费用和折旧)推动下，全年税后盈利达4亿9,027万令吉。剔除一次性IPO上市费用和员工特别花红后，集团实现正常化税后盈利5亿1,239万令吉。

深知员工是成功的基石，我们于2024年投入约7亿5,067万令吉用于薪资、福利、津贴和培训，惠及大约23,000名员工，持续培育人才，打造强大且敬业的团队。秉持创造价值的承诺，我们缴纳约1亿6,477万令吉所得税款，为国家发展贡献力量。

此外，销售交易总数从2023年的4亿1,325万笔增至2024年的4亿6,550万笔。消费者行为变化是增长主因，越来越多人倾向于少量多次购买，而99 Speedmart的便捷优势正好迎合此趋势。

我们拨款约533万令吉用于环境、社会与治理(“ESG”)计划及慈善捐助，积极推动在社区创造深远影响力。其中，包括向马来西亚卫生部捐赠210台自动体外除颤器(“AEDs”)，强化紧急救护能力。

财务管理审慎以最大化价值

上市为我们提供重要资金，以推动扩张、降低债务并优化现金流。此外，利息收入进一步提升盈利能力。尽管这些资源带来新机遇，我们依然在投资决策坚持财务纪律。审慎管理使我们能够确保及时支付供应商款项，并争取有利采购折扣，从而提升营收与盈利能力。

扩张，仍是99 Speedmart的核心策略——每开一家新门店，都会提升采购能力，从而争取更优惠的供应商价格。秉持增长目标，我们新增252家门店，使全国门店总数在2024年增至2,778家。集团不断扩大门店网络，进一步提升我们的能力，为消费者提供实惠便捷购物体验。

稳定与可靠是投资者信心的基石，我们将继续秉持这些原则，确保业务的长期可持续发展。在扩张与稳定股东回报之间保持平衡，我们坚持严谨的投资策略，专注于推动卓越营运的基础设施和科技。通过自动化、预测分析和智能采购策略，我们不断提升效率，优化库存管理，并改善顾客购物体验。

首席执行官致辞

续

99 Bulksales反应热烈市场策略乘胜追击

过去一年的重要亮点之一，是2023年底在巴生谷正式推出的99 Bulksales电子商务平台，获得热烈反响。大宗采购最初是为了应对疫情封锁期间的需求而推出，但至今仍保持强劲的消费趋势。有鉴于此，我们继续以零额外成本经营99 Bulksales，不仅为客户带来经济实惠的解决方案，同时提升营运效率。

凭借现有物流网络和采购团队，我们将相关成本降至最低，注重在不影响价格优势和服务质量的前提下扩大营运规模的策略。因此，该平台成功吸引餐馆、小贩摊位、办公室及大家庭等多元客户群，带动营收稳步增长。尽管利润率较低，但无须承担租金支出，确保盈利能力得以维持，使99 Bulksales成为重要的增长引擎。

在成功基础上乘胜追击，我们于2024年7月将此平台拓展至南马，并于2024年11月进军北马。展望未来，我们计划进一步扩展至东海岸，并最终覆盖整个马来西亚半岛，为全国客户提供更便捷的服务。

凭借这些策略举措，我们坚信99 Bulksales电子商务平台将持续扩展，为马来西亚的商家和家庭创造更大价值。

为进一步强化业务，我们推行直接采购策略，绕开中介，直接向品牌方或制造商采购。此举不仅提升采购能力、降低成本、优化供应链效率，还能在保持价格竞争力的同时，提升利润率。

增强韧性 持续增长

灵活和具韧性是我们始终秉持的经营之道。尽管经济波动和通货膨胀带来挑战，集团的扁平化组织结构使我们能够灵活决策、高效运作，在保持盈利的同时应对不确定因素。

我们的迷你超市贴近各阶层消费者，确保面对外在挑战下仍能稳定供应经济实惠的日常必需品。随着高收入群体持续增长，迎来多元化产品布局的契机。为更好地服务这个客群，我们计划引入更多高档产品，提升竞争力，同时依旧坚守对中低收入核心顾客群的亲民价格。均衡的发展策略，使我们能灵活应对消费趋势变化，满足各阶层的需求。

我们采取主动策略，针对关键产品进行策略备货，并与供应商紧密合作，共享需求预测，以提升生产与物流效率。为确保货架上始终有合适价格的商品供应，我们充分运用科技，分析销售数据、预测需求趋势、优化库存管理，并在配送中心实现订单自动化。这些优化措施不仅能减少缺货情况、提升商品供应稳定性，更能全面改善购物体验。

与此同时，我们始终致力于在业务增长与价格实惠之间保持平衡。鉴于门店货架空间有限，我们精心挑选商品，确保每一款产品都符合顾客需求。目前，我们提供超过3,000款热销库存单位(SKU)。这种策略不仅帮助我们优化产品组合，还能稳固与供应商的合作关系，并通过议价争取更具竞争力的价格，确保顾客始终能以实惠价格购得优质商品。

可持续发展 推动业务前行

可持续发展不仅是企业责任，更是我们对社区的承诺。随着消费者日益关注自身选择的影响力，我们深知必须将可持续发展融入日常营运。为确保取得实质进展，我们设定关键绩效指标(KPI)，以推动业务各方面达成环境、社会及治理(ESG)目标。

2023年，我们荣幸获得马来西亚知名绿色建筑认证机构——Green Real Estate (“GreenRE”)的认可。位于巴生的总部及10家门店因温室气体排放量减少20%而荣获GreenRE白金认证，同时，两个配送中心因平均减排超过50%而获得GreenRE银级认证。此项成就充分体现我们通过策略性投资节能科技，持续推动能源消耗减少的努力。

我们亦在门店及配送中心安装太阳能光伏(“PV”)系统、LED照明灯、变频空调及非加热玻璃冰柜。这些举措不仅提升营运效率，同时有效控制成本。其成效显而易见——截至2024年，电费增幅低于新开门店数量的增长率。展望未来，我们计划于2025年在更多门店铺设太阳能光伏，进一步降低电力消耗并减少碳足迹。

首席执行官致辞

续

减少废弃物是我们关注的另一大重点，而“无塑料袋”政策正是其中一项重要举措。为鼓励减少塑料废弃物，我们在每家新门店开业时，免费派发1,000个可回收购物袋。作为承诺的体现，99 Speedmart全面负责这些购物袋，并提供免费回购及更换损坏的袋子。

展望未来，我们将继续积极推进可持续发展投资。尽管这些举措看似微小，但随着时间推移，这将有助于实现长期盈利，并为商家、客户及社区创造更美好的未来。

携手共进 感恩同行

在迈入下一个成长阶段之际，集团将继续深耕家居零售领域，同时保持稳健的财务表现，为业务及利益相关者创造可持续的长期价值。凭借坚实基础、明确规划，持续追求创新与卓越成长，我们已做好充分准备，把握新兴机遇，应对不断变化的市场格局。展望未来，我们将进一步巩固市场地位，提升顾客购物体验，并创造持久的积极影响——携手共创繁荣未来。

在此，我谨向所有一路同行的伙伴们致以最诚挚的谢意。感谢股东们的信任与支持；同时，衷心感谢顾问和董事局成员——您在上市前后的指导极为珍贵。对于业务合作伙伴，我们深感珍惜您们的长期合作与携手共进的承诺。

最重要的是，我特此向全体员工致以衷心感谢——您们的奉献与辛勤付出，是我们成功的推动力。每一个里程碑，都凝聚着您们的努力。

展望未来，诚邀所有利益相关方、合作伙伴与客户携手同行，共创更强大、更具韧性、可持续发展的美好未来。

感谢大家的信任与支持！

李良华

执行董事兼首席执行官

99 Speed Mart Retail Holdings Berhad

MANAGEMENT DISCUSSION & ANALYSIS

Bringing Value Closer to Every Neighbourhood

As we reflect on the past year, we take immense pride in 99 Speedmart's continued growth and dedication to serving communities, further solidifying our position as Malaysia's leading neighbourhood mini-market. 2024 has been a year of persistence and advancement—our steady expansion, operational efficiencies and unwavering commitment to affordability and convenience have strengthened our market presence and improved customer accessibility. By upholding our Near n' Save philosophy, we have ensured that essential goods remain accessible to households nationwide, regardless of economic conditions.

Malaysia's retail industry has demonstrated its resilience amid rising living costs and inflationary pressures. Despite these economic headwinds, the mini-market, convenience store and cooperative sector recorded an impressive 8.7% growth in the third quarter of 2024—the highest among all retail sub-sectors.* This underscores the critical role we play as a neighbourhood-based retailer in supporting communities through value-driven solutions and exceptional convenience. As we move forward, we remain committed to enhancing our business, adapting to evolving consumer demands and delivering even greater value to the communities we serve.

Source:

* <https://marketingmagazine.com.my/riding-the-waves-of-resilience-and-reinvention-malaysias-retail-sector-posts-3-8-growth/>

BUSINESS OVERVIEW

99 Speedmart has consistently strived to bring affordability and convenience closer to the communities. From our humble beginnings to becoming one of Malaysia's leading fast-moving consumer goods ("FMCG") retailers, our journey has been defined by a relentless commitment to providing quality products at accessible prices.

99 Holdings was incorporated in Malaysia under the Companies Act 2016 on 15 May 2023, initially as 99 Speed Mart Holdings Sdn Bhd. On 10 July 2023, the Company was renamed to 99 Speed Mart Retail Holdings Sdn Bhd to better reflect its business focus. In line with our strategic growth and preparations for a public offering, we transitioned into a public limited company on 29 January 2024 and assumed our current name.

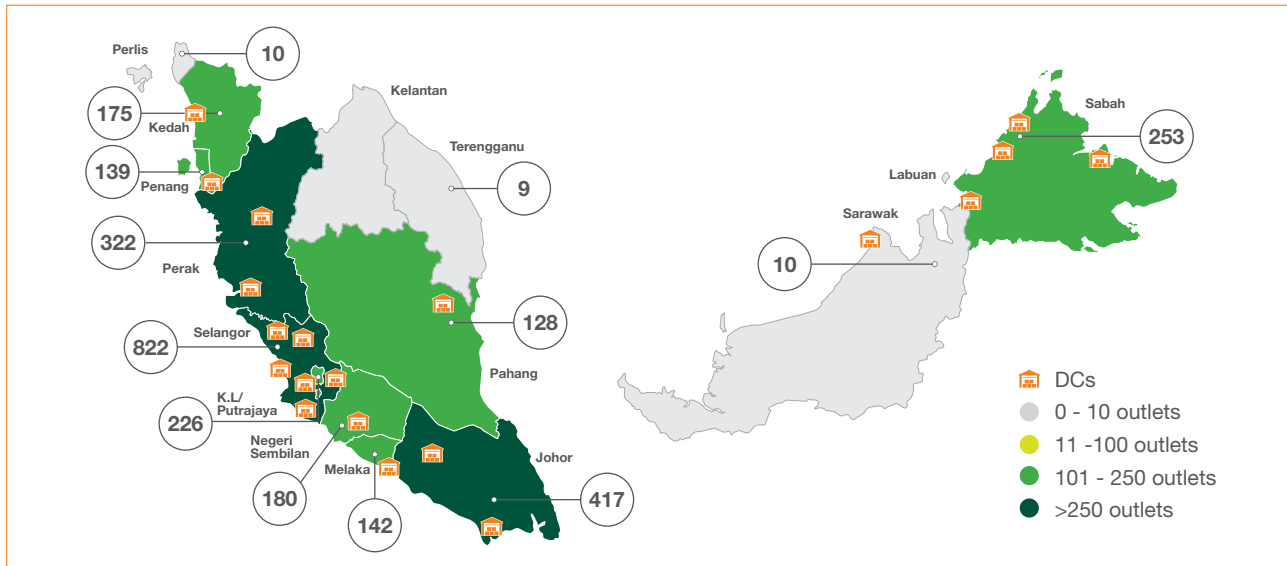
As part of this corporate transformation, we undertook a comprehensive restructuring exercise, which included the acquisition of the entire equity interest in our subsidiaries, namely 99 Speed Mart Sdn Bhd and 99 Speed Mart (East Malaysia) Sdn Bhd, to 99 Holdings. To further expand our operational capabilities, we incorporated two subsidiaries in the People's Republic of China ("PRC")—Yiwu J-Jade Trading Co., Ltd and Yiwu Speed Mart Import and Export Co., Ltd. for the purpose of investment holding and merchandise procurement for sale in our outlets respectively.

With a robust network of over 2,800 outlets nationwide to date, our presence is strategically positioned to ensure Malaysians from all walks of life can easily access their daily essentials. This widespread accessibility underscores our efforts to meeting the diverse needs of our customers and reinforcing our role as a trusted provider of everyday goods across the country.

MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

Distribution of outlets and distribution centres (“DCs”) by states as at 28 March 2025 are as follows:



Beyond our domestic footprint, we have strengthened our supply chain through overseas and local partnerships to enhance procurement efficiency, optimise costs and improve direct merchandise sourcing. Guided by our Near n' Save ethos, we leverage economies of scale, a robust distribution network and advanced logistics infrastructure to drive efficiency and cost savings. As we move forward, we remain focused on delivering value-driven retail solutions and strengthening our position as a trusted neighbourhood mini-market for all.

We remain committed to navigating these challenges while continuing to deliver value-driven retail solutions that Malaysians can rely on.

Industry Summary

The mini-market sector has been focused on fulfilling daily necessities with efficiency and cost-effectiveness. Despite global economic uncertainties, this segment remains robust, driven by the strong demand for essential goods and a shift in consumer behaviour towards smaller, more frequent purchases.

In 2024, Malaysia's economy grew by 5.1%¹, supported by strong domestic demand and investment. Consumer spending reached RM258.52 billion in the third quarter of 2024², reflecting sustained confidence in the retail sector. This reinforces the vital role of mini-markets such as 99 Speedmart in providing accessible and affordable shopping solutions to communities nationwide.

Nevertheless, the industry faces ongoing obstacles. Escalating costs of goods, labour and raw materials continue to exert pressure on margins. To remain competitive, retailers must carefully navigate pricing strategies, enhance cost efficiencies and uphold affordability as a fundamental aspect of the customer experience.

We remain committed to navigating these challenges while continuing to deliver value-driven retail solutions that Malaysians can rely on.

Source:

¹ https://www.bnm.gov.my/-/qb24q4_en_pr

² <https://tradingeconomics.com/malaysia/consumer-spending>

MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

MARKET LANDSCAPE: KEY TRENDS

- **Economic Growth and Employment**

The broader economic environment, particularly gross domestic product (“GDP”) growth and employment levels, has a direct impact on consumer confidence and spending patterns. At 99 Speedmart, we recognise that economic fluctuations influence purchasing behaviour, and as a retailer focused on affordability and accessibility, we remain highly attuned to these changes.

During periods of economic downturn or recession, consumers typically adopt more cautious spending habits, prioritising essential goods over discretionary purchases. In such circumstances, mini-markets such as 99 Speedmart, centred on everyday affordability—play a crucial role in supporting communities. By maintaining competitive pricing, operational efficiency and a carefully curated selection of essential products, we aspire to be the preferred choice for budget-conscious shoppers.

Conversely, economic recovery leads to rising disposable incomes and improved employment rates, driving stronger consumer spending. As household confidence improves, we anticipate increased demand for convenience-driven shopping, further emphasising mini-markets as the preferred retail format for quick and cost-effective purchases.

Regardless of the economic cycle, 99 Speedmart remains steadfast in our aspiration to provide stability, value and customer-centric growth. By staying agile, adapting to market conditions and upholding our dedication to affordability, we will serve communities effectively while solidifying our position as the nation’s leading neighbourhood mini-market.

As sustainability is central to our strategy, we are dedicated to reducing plastic packaging, sourcing from ethical suppliers and embedding responsible business practices into our operations.

- **Sustainability and Regulatory Trends**

As governments worldwide enforce stricter environmental regulations on packaging, waste management and responsible sourcing, businesses must adapt to remain competitive. The Group recognises that aligning with these standards is not merely about regulatory compliance but also about securing long-term resilience while meeting the expectations of customers and communities.

Regulatory developments will require retailers to reassess packaging materials, optimise supply chains and implement waste reduction initiatives. While these complexities require investment and operational adjustments, they also present an opportunity to lead in sustainable retail. Consumers are increasingly making value-driven purchasing decisions, favouring brands that actively reduce plastic use, offer eco-friendly products and uphold responsible business practices.

As sustainability is central to our strategy, we are dedicated to reducing plastic packaging, sourcing from ethical suppliers and embedding responsible business practices into our operations. These efforts will enhance long-term viability, strengthen customer trust and contribute to a greener future.

- **Changing Consumer Preferences**

In today’s dynamic environment, convenience is paramount. Consumers increasingly seek efficient, hassle-free shopping experiences – whether for a quick stop after work, an urgent grocery run, or everyday essentials without prolonged waiting times. This is where mini-markets such as 99 Speedmart hold a distinct advantage.

Our strategic presence in residential areas, combined with optimised outlet layouts and expedited checkout processes, ensures that customers can access necessities with minimal delay. Recognising the value of time, we prioritise a seamless and efficient shopping experience to meet shifting consumer expectations.

As we move forward, we remain committed to enhancing convenience at every level—from optimising outlet locations and refining operations to leveraging technology for a faster, more efficient retail experience. Our objective is clear: to make everyday shopping as accessible, seamless and effortless as possible for our customers.

MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

- **Local Market Conditions**

The Group recognises that local economic factors—such as population growth, urbanisation and disposable income levels influence consumer demand and retail performance. As Malaysia's urban centres continue to develop and transform, the demand for accessible and convenience-driven shopping solutions is expected to rise accordingly.

High-density urban areas serve as key locations for mini-markets, where the demand for efficient and convenient shopping is high. As consumers navigate increasingly dynamic lifestyles, our strategically located outlets in high-traffic areas ensure seamless accessibility for the communities we serve. By continuously refining our outlet network and logistics operations, we are well-positioned to accommodate the growing needs of urban populations.

Simultaneously, we acknowledge the developing economic landscape in suburban and rural areas. As disposable incomes increase and infrastructure development progresses, there is a growing demand for cost-effective and accessible retail solutions within local communities. Our expansion strategy remains centred on catering to well-established and emerging markets, ensuring broader reach and sustained accessibility for Malaysians in line with our Near n' Save ethos.

By understanding local economic trends and staying ahead of changing consumer behaviours, 99 Speedmart will further strengthen our footprint, delivering unparalleled convenience, affordability and reliability to communities nationwide.

- **Inflationary Pressures**

Inflation remains a key global concern, with its impact on consumer purchasing power expected to persist in 2025. As the cost of goods and services rise, consumers are likely to adopt more price-sensitive purchasing behaviours, particularly in the food and retail sectors. However, mini-markets, which prioritise essential goods, are comparatively well-positioned to navigate these economic fluctuations.

Recognising the increasing importance of affordability, we strive to achieve an optimal balance between cost efficiency, competitive pricing and product quality. Our objective is to maintain accessible price points without compromising service standards or product availability, providing exceptional value to our customers.

Heightened price sensitivity will necessitate strategic pricing approaches and cost optimisation measures to preserve profit margins. By capitalising on our economies of scale, strong supplier partnerships and efficient logistics infrastructure, we aim to mitigate cost pressures while strengthening our position as a reliable, value-driven retailer.

Looking ahead, we will prioritise operational efficiency and customer-centric strategies to navigate these economic uncertainties. Our ability to adapt, innovate and respond to market dynamics will secure sustainable growth while upholding our promise of affordability and convenience for all Malaysians.

MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

KEY RISKS & MITIGATION



MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

OUR STRATEGIC PRIORITIES

We recognise that our proximity to communities is a key strength, providing customers with quick and convenient access to essential goods. Our outlets are strategically located to enable customers to make efficient purchases with minimal time and effort.

In an increasingly fast-paced environment, convenience is a priority. To enhance the shopping experience, we maintain a standardised layout across all outlets. The consistent planogram allows customers to easily locate products, regardless of the outlet they visit, fostering familiarity and efficiency.

Our Near n' Save philosophy has reinforced our presence within communities and strengthened customer loyalty, particularly during COVID-19, when accessibility and reliability were of utmost importance.

Building on this, we remain focused on the following key priorities to drive sustainable growth and competitiveness in the evolving retail landscape.



Operational Excellence

Optimising inventory management, outlet layouts and supplier partnerships to enhance efficiency.



Market Expansion

Driving growth by diversifying product offerings, streamlining operations and leveraging technology.



Sustainability

Minimising environmental impact through eco-friendly initiatives and energy-efficient solutions.



Consumer-Centric Innovation

Strengthening e-commerce capabilities and leveraging data-driven insights to meet consumer preferences.

As we move forward, we remain committed to being the neighbourhood mini-market of choice, offering affordability, efficiency and familiarity to our valued customers.

FINANCIAL PERFORMANCE AND FINANCIAL POSITION

Revenue

99 Speedmart recorded a revenue of RM9,981.64 million for the financial year ended 31 December 2024 ("FY2024"), marking an 8.33% increase from RM9,214.11 million for the financial year ended 31 December 2023 ("FY2023"). Our strong performance was primarily driven by the ongoing expansion of our outlet network.

During the financial year, 252 new outlets were added, bringing the total to 2,778 as at 31 December 2024. This expansion strengthened our market presence and contributed significantly to our sales performance, reflected by a 9.98% year-on-year ("YoY") increase, which contributed positively to the Group's overall revenue growth.

We achieved an important milestone this year with the official launch of the 99 Bulksales e-commerce platform in late 2023, which reflects the Group's responsiveness to shifting consumer preferences towards more convenient, cost-effective purchasing channels. While still in its early stages, the platform contributed approximately RM23.13 million to total revenue, underscoring the growing demand for cost-effective and flexible shopping solutions.

In addition to the increase in total outlets and digital expansion, 99 Speedmart also registered positive same-store sales growth ("SSSG") of 1.4% in FY2024. Total sales transactions increased by 12.64%, rising from 413.25 million in FY2023 to 465.50 million in FY2024, a clear indication of sustained consumer interest and frequent patronage. This growth was partially offset by a 3.86% decline in average basket size from RM22.30 in FY2023 to RM21.44 in FY2024, attributed to a shift in shopping habits. Customers increasingly favoured smaller, more frequent purchases—emphasising a growing preference for convenience and affordability.

MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

Gross Profit ("GP")

The Group reported a GP of RM1,104.33 million for FY2024, representing an increase of RM74.77 million or 7.26% compared to RM1,029.56 million in FY2023. Our growth reflects the Group's continued revenue expansion and operational efficiency, maintaining a stable GP margin of 11.06% for FY2024.

Other Operating Income

Other operating income increased by RM149.02 million or 22.38%, from RM665.75 million in FY2023 to RM814.77 million in FY2024. This uplift was primarily attributable to the upward revision of the DC allowance rate and higher product display allowances, both of which are aligned with 99 Speedmart's expanding retail footprint.

Administrative and Other Operating Expenses

Administrative and other operating expenses rose by RM111.55 million or 9.83%, from RM1,134.35 million in FY2023 to RM1,245.90 million in FY2024, largely driven by increases in staff-related costs, utilities, lease expenses and depreciation of fixed assets. Included in this expenses were one-off items comprising a special bonus and associated statutory contributions for employees, as well as Initial Public Offering ("IPO") listing expenses amounting to RM18.16 million and RM8.32 million, respectively (FY 2023: RM0.90 million for IPO listing expenses).

Profit Before Taxation ("PBT") and Profit After Taxation ("PAT")

99 Speedmart achieved a PBT of RM658.59 million (FY2023: RM538.21 million) and a PAT of RM490.27 million (FY2023: RM400.23 million). These improvements were underpinned by strong top-line growth and higher other operating income, further supported by disciplined cost management and operational efficiency. The PBT and PAT margins for FY2024 were 6.60% and 4.91% respectively.

Excluding the abovementioned one-off expenses, the Group's normalised PBT stood at RM685.07 million (FY2023: RM539.11 million), reflecting an increase of RM145.96 million or 27.07%. The normalised PAT, after accounting for the normalised income tax expenses of RM172.69 million (FY2023: RM137.99 million), amounted to RM512.38 million (FY2023: RM401.12 million), up by RM111.26 million or 27.74% YoY. Consequently, the normalised PBT and PAT margins for FY2024 were 6.86% and 5.13% respectively (FY2023: 5.85% and 4.35% respectively), representing YoY improvements of 1.01% and 0.78% respectively.

Liquidity and Financial Resources

99 Speedmart continued to strengthen its financial position, with total assets increasing to RM3,561.15 million as at FY2024, compared to RM2,666.33 million in the previous financial year. This growth was primarily driven by the acquisition of property and equipment, as well as right-of-use assets to support the Group's ongoing store expansion initiatives.

The Group also maintained a robust liquidity position, with cash and cash equivalents amounting to RM698.10 million as at FY2024 compared to RM137.57 million as at FY2023. Of this, RM488.53 million was generated from operating activities, highlighting the Group's strong cash flow generation and operational efficiency.

As at FY2024, the Group's total borrowings comprised solely of a term loan of RM3.43 million, which was fully settled in February 2025. At the same time, total liabilities declined from RM2,124.75 million to RM1,982.17 million, reflecting prudent financial management and improved payment efficiency.

Shareholders' equity surged by 191.55% from RM541.58 million to RM1,578.98 million, driven by the issuance of new shares pursuant to IPO and profit accumulation, further emphasising our resilience and long-term value creation.

The Group's current ratio improved to 1.74 times as at FY2024 (FY2023: 1.00 time), reflecting enhanced liquidity and more effective management of current assets and liabilities.

Looking ahead, we remain dedicated to delivering sustainable growth, maintaining financial discipline and demonstrating resilient performance across our retail network.

MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

Capital Expenditure, Structure and Resources

Our capital expenditure plan of approximately RM170 million to RM190 million per year from FY2025 to FY2027 represents a targeted investment in growth and value creation. These funds will support our ambitious target of opening about 250 new outlets annually, the development of two new DCs and energy-efficient upgrades, providing customers with greater accessibility and enhanced efficiency.

Previously, our expansion was funded through internal resources and bank financing. With the IPO proceeds, we have developed a structured three-year capital allocation plan, strengthening our financial framework to support growth, enhance operational efficiency and generate long-term value. These investments position us for sustained progress while enhancing value creation for customers and stakeholders.

Key Trends and Events Impacting Operations

In 2025, sustainability will continue to be a key priority as we accelerate the expansion of solar panel installations and retrofit our outlets and DCs with energy-efficient solutions. Our transition to green-engine trucks will further enhance environmental performance and operational efficiency, emphasising our commitment to responsible business growth.

Our 99 Bulksales e-commerce platform also presents a major growth opportunity. By expanding into the east coast of the Peninsular Malaysia and other key markets, we will increase customer reach, optimise costs and enhance purchasing convenience. With a wider product range, we aim to meet growing consumer needs while strengthening our position as a leader in affordable, everyday essentials.

Furthermore, wage increases and salary adjustments nationwide are anticipated to enhance consumer purchasing power, particularly for premium and higher-value products. To capitalise on this trend, we will refine our product mix to align with evolving consumer preferences while upholding our dedication to affordability and value—key pillars of 99 Speedmart.

Supply Chain and Logistics

As 99 Speedmart continues to expand, our supplier purchases have increased proportionally. To ensure efficient inventory management, we leverage data-driven procurement forecasting, using historical sales data and predictive analytics to maintain optimal stock levels.

Recognising supplier logistical constraints, we route deliveries through our DCs—enhancing storage capacity, streamlining order fulfilment and improving last-mile delivery. This reduces long-term operating costs while ensuring seamless replenishment across our growing network.

To further strengthen cost efficiency, we directly source products from local and international manufacturers and brand principals, eliminating intermediary markups and improving margins. Additionally, our just-in-time (“JIT”) inventory strategy minimises excess stock, optimises cash flow and enhances overall operational efficiency.

Our centralised procurement system automates reordering and integrates seamlessly with our DCs and headquarters for continuous efficiency. Meanwhile, our 99 Bulksales e-commerce platform leverages this infrastructure to optimise delivery routes, ensuring consistent products availability across both physical and digital channels—underscoring our long-term growth and competitiveness.

MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

Operational Excellence

Our pricing strategies are guided by demand patterns, seasonality and market trends, while regular margin analysis enables proactive supplier negotiations and pricing adjustments to optimise profitability.

At 99 Speedmart, we continuously balance competitive pricing with margin sustainability, addressing rising supplier costs and increasing market competition. Our pricing strategies are guided by demand patterns, seasonality and market trends, while regular margin analysis enables proactive supplier negotiations and pricing adjustments to optimise profitability.

Apart from pricing, regulatory compliance remains a fundamental aspect of our operations. We adhere to applicable regulations and industry best practices, proactively monitoring our compliance and providing regular employee training to reinforce accountability and enhance operational excellence.

Additionally, we invest in structured training programmes that equip our employees with customer engagement skills, comprehensive product knowledge and a service-oriented mindset. By empowering our frontline staff to make informed decisions in real-time, we enhance service efficiency and foster customer satisfaction.

To ensure long-term sustainability, we rigorously monitor key performance indicators (“KPIs”) such as YoY revenue growth, category-level sales performance and labour costs as a percentage of sales. These insights drive strategic resource allocation and sustain profitability, strengthening our position as Malaysia’s leading neighbourhood mini-market.

Expansion Strategy

We are dedicated to strengthening our logistical capabilities and expanding our retail network to drive sustainable long-term growth. With our DC at Miri, Sarawak now operational as of March 2025 and our DC at Cyberjaya, Selangor scheduled to commence operations by the second quarter of 2025, these facilities will serve approximately 280 outlets and significantly enhance the distribution capacity of 99 Bulksales. Looking ahead, we are actively planning additional DCs in Kedah, Sabah and Pahang respectively to further enhance our logistics infrastructure and facilitate future expansion.

To maintain an optimal shopping experience and operational efficiency, we conduct regular outlet refurbishments every seven years or as required. These enhancements, including outlet layout improvements, equipment upgrades and the integration of energy-efficient technologies—align with our sustainability objectives while optimising operational costs.

While domestic market expansion remains our priority, we leverage international sourcing to improve cost efficiency. Direct procurement from manufacturers enables us to acquire our products at competitive prices, ensuring that we deliver exceptional value to our customers.

As Malaysia’s mini-market industry holds strong growth potential, we are dedicated to enhancing our presence locally. However, we remain open to international opportunities, ensuring that our business remains agile, competitive and future-ready.

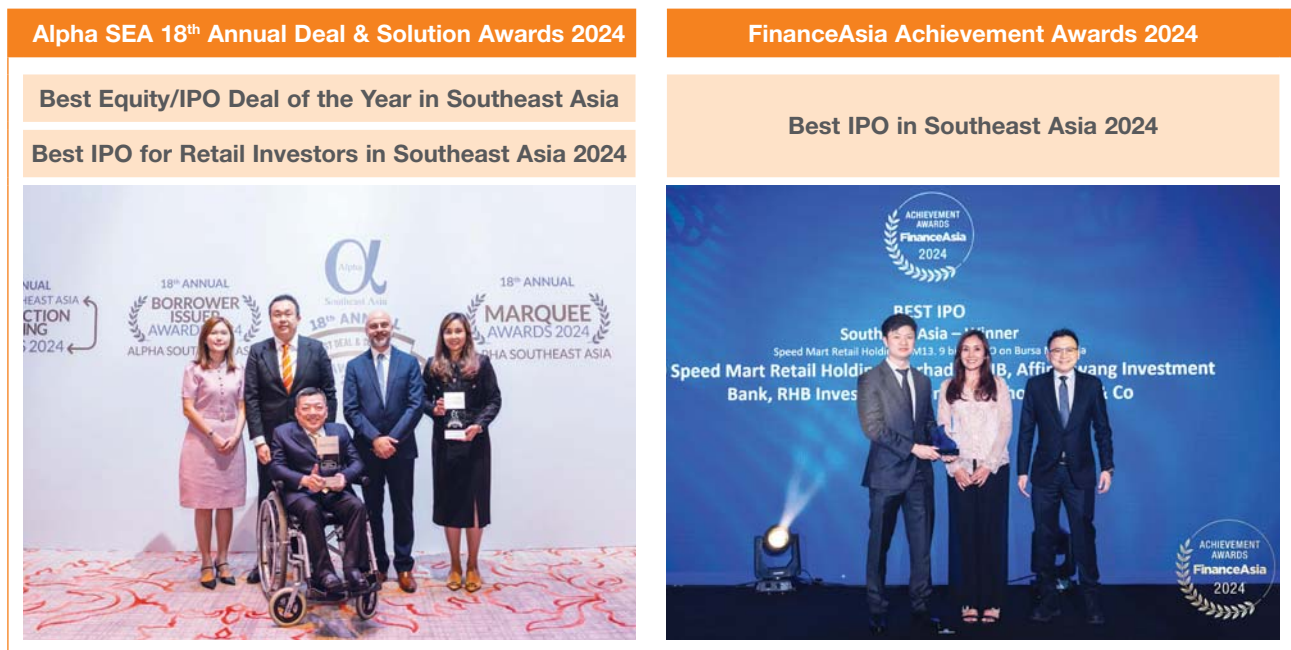
MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

A Milestone Year of Recognition and Commitment

At 99 Speedmart, 2024 has been a landmark year, highlighted by our successful IPO and the prestigious accolades we have received.

We are proud to have been recognised with the following awards:



These accolades reflect the confidence investors have in our business model, strong fundamentals and vision for growth. Our public listing has accelerated our expansion journey and these recognitions reaffirm our dedication to delivering long-term value for stakeholders.

Our People, Our Greatest Strength

As of FY2024, women comprise 44.44% of our Board members.

Our workforce is the cornerstone of our operations. As of 31 December 2024, we employed a total of 22,922 individuals across 2,778 outlets, 19 DCs and our headquarters. We remain steadfast in our dedication to prioritising their safety, health and well-being, recognising that their dedication is vital to our long-term success.

We take pride in championing gender diversity and upholding strong governance practices. As of FY2024, women comprise 44.44% of our Board of Directors, with four out of nine members being female, surpassing the Malaysian Code on Corporate Governance (“MCCG”) recommendation of a minimum 30% representation. This demonstrates our ongoing commitment to empowering talent and fostering an inclusive workplace.

To cultivate a resilient, agile and highly-skilled workforce, we align individual aspirations with organisational growth. Through partnerships with Universiti Kebangsaan Malaysia (“UKM”) and government-led initiatives, we provide structured training and upskilling programmes to address skill gaps and enhance capabilities.

Beyond business achievements, we remain steadfast in our dedication to social responsibility. At the PERKESO 2024 programme, MyFutureJobs OKU & TVET Career Carnival themed ‘No One Marginalised’, we were honoured with the Kesuma Madani OKU Employer Appreciation Certificate in recognition of our inclusive hiring practices. Additionally, we promote equal employment opportunities and nurture a workplace where every individual has the opportunity to thrive.

MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

Delivering Sustainable Value for a Better Tomorrow

We recognise that as a leading neighbourhood mini-market, our role extends beyond retail – we have a responsibility to minimise our environmental impact, uplift the communities we serve and promote responsible consumption.

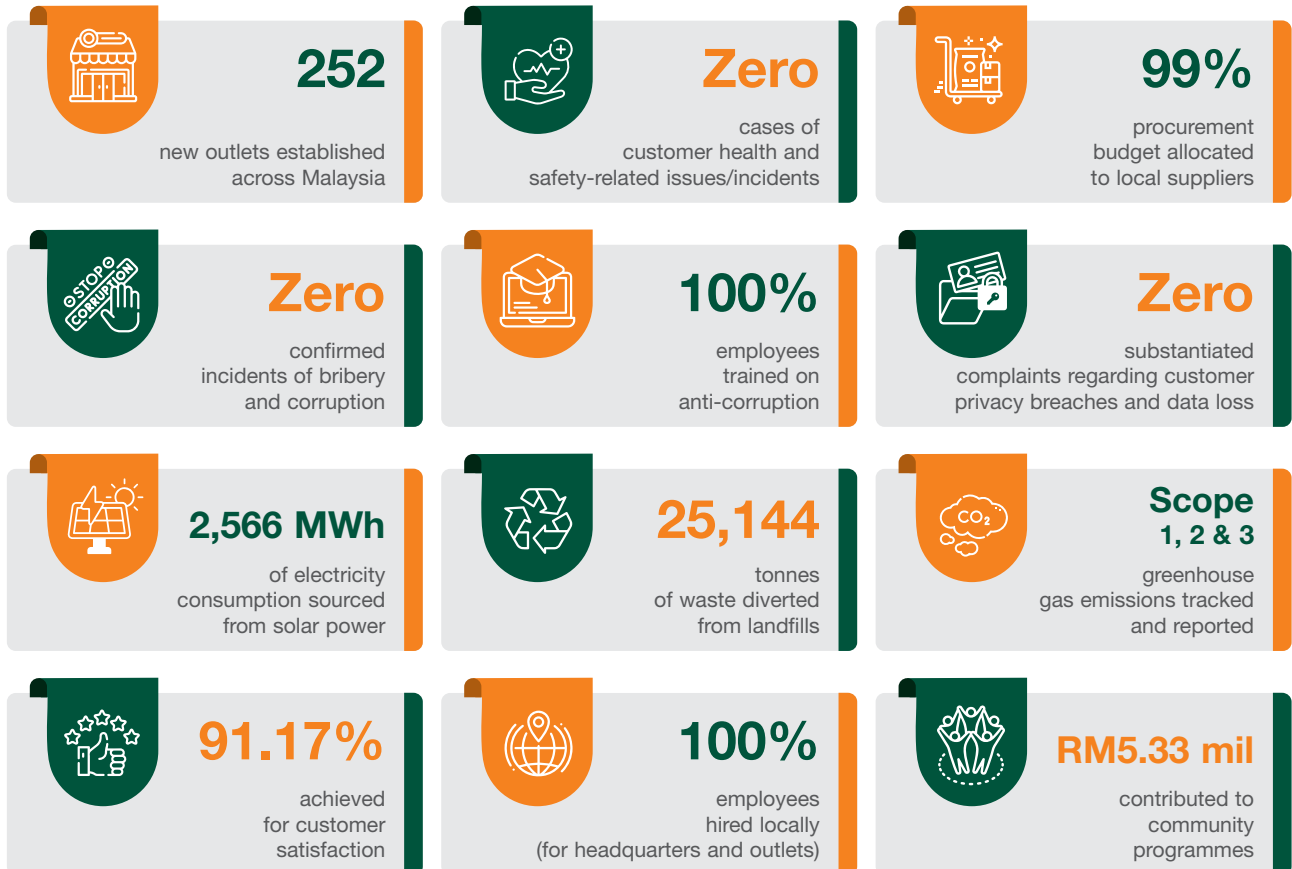
In line with this commitment, we have taken the initiative to publish our inaugural Annual Report, which marks a new chapter in our journey of transparency and accountability. Our sustainability strategy serves as a guiding framework, ensuring that our business decisions drive meaningful progress in environmental stewardship, social impact and governance excellence.

Our report is prepared in alignment with sustainability frameworks and reporting requirements, such as the Bursa Malaysia Securities Berhad’s Main Market Listing Requirements (“**MMLR**”) and Sustainability Reporting Guide (3rd Edition). We have also aligned our disclosures with the Global Reporting Initiative (“**GRI**”) standards, the National Sustainability Reporting Framework (“**NSRF**”) and aligned our initiatives with global United Nations Sustainable Development Goals (“**UN SDGs**”), underscoring our dedication to responsible and ethical business practices.

By adopting these frameworks, we uphold regulatory compliance while establishing a robust foundation for long-term value creation. We remain committed to maintaining transparency in our disclosures and embedding responsible practices into our business strategy–driven by the belief that meaningful progress begins with accountable and ethical actions today.

Our efforts in environment, social and governance (“**ESG**”) are reflected in the sustainability section of this Annual Report (pages 54 to 102), where we provide a comprehensive overview of our progress, governance and key disclosures. This section also highlights our approach to managing business and climate risks, reinforcing our dedication to responsible and sustainable growth.

2024 Sustainability Highlights



MANAGEMENT DISCUSSION & ANALYSIS

Cont'd

OUTLOOK AND PROSPECTS

As we look to the future, we remain confident in the growth potential of the mini-market industry, particularly in urban and high-density areas where convenience and accessibility drive consumer preferences. The demand for efficient, time-saving shopping experiences remains strong, and we believe our Near n' Save philosophy will appeal to customers seeking affordability and convenience.

By staying agile and responsive to market dynamics, we are confident in our ability to drive sustainable growth, enhance customer experience and strengthen our position as Malaysia's leading mini-market chain.

While economic challenges such as inflation and fluctuating interest rates may impact the market, our focus on essential products, competitive pricing and customised offerings positions us well to navigate uncertainties and sustain long-term growth. At the same time, we recognise the need to adapt to evolving consumer preferences. The increasing demand for healthier, organic and eco-friendly products presents opportunities to refine our product range and cater to an increasingly conscientious customer base. Additionally, as digital adoption accelerates, we will implement efforts to enhance our online ordering and delivery capabilities to provide a seamless and efficient shopping experience.

Operational efficiency remains central to our strategy as we work to uphold competitive pricing while safeguarding profitability. Through optimised inventory management, streamlined logistics and cost-saving initiatives, we will mitigate rising operational expenses. By staying agile and responsive to market dynamics, we are confident in our ability to drive sustainable growth, enhance customer experience and strengthen our position as Malaysia's leading mini-market chain.

Note of Appreciation

As we reflect on our journey, we want to personally express our heartfelt gratitude to our shareholders for their unwavering confidence and support. To our outstanding management team and employees, your dedication, perseverance and professionalism are the backbone of our achievements—we are truly grateful for your hard work and passion. We also acknowledge our business partners and suppliers, whose collaboration enables us to maintain the quality and affordability that define us. To our valued customers, thank you for your trust and loyalty—your support drives our evolution, innovation and pursuit of excellence.

Lastly, we extend our deepest appreciation to our Mr Lee Thiam Wah, our Executive Director and Chief Executive Officer and the Board of Directors for their strategic guidance and vision in steering the Group towards a more sustainable future.

5-YEAR GROUP FINANCIAL SUMMARY

Metric	2020	2021	2022	2023	2024
Revenue (RM'000)	6,845,496*	7,840,610*	8,078,506*	9,214,110*	9,981,642
Gross Profit ("GP") (RM'000)	768,784*	914,031*	907,903*	1,029,557*	1,104,332
Other Operating Income (RM'000)	432,785*	527,247*	576,266*	665,752*	814,770
Profit Before Taxation ("PBT") (RM'000)	377,290	561,816	484,113	538,212	658,591
Profit After Taxation ("PAT") (RM'000)	274,928	419,094	326,665	400,227	490,265
Normalised PAT (RM'000) [^]	274,928	419,094	326,665	401,122	512,392
Adjusted Earnings Before Interest, Taxation, Depreciation and Amortisation ("Adjusted EBITDA") (RM'000)	491,039	642,643	570,160	622,376	737,434
GP Margin (%)	11.23*	11.66*	11.24*	11.17*	11.06
PBT Margin (%)	5.51	7.17	5.99	5.84	6.60
PAT Margin (%)	4.02	5.35	4.04	4.34	4.91
Normalised PAT Margin (%) [^]	4.02	5.35	4.04	4.35	5.13
Adjusted EBITDA Margin (%)	7.17	8.20	7.06	6.75	7.39
Total Assets (RM'000)	2,064,424	2,357,937	2,380,424	2,666,325	3,561,150
Shareholders' Equity (RM'000)	472,193	736,987	631,852	541,575	1,578,976
Total Borrowings (Excluding Lease Liabilities) (RM'000)	64,297	55,763	56,531	51,935	3,429
Net Assets Per Share (RM) ^(a)	0.06	0.09	0.08	0.07	0.19
Gearing Ratio (times)	0.14	0.08	0.09	0.10	0.00
Net Gearing/(Cash) Ratio (times)	(0.14)	(0.40)	(0.05)	(0.16)	(0.44)
Earnings Per Share ("EPS") (sen) ^(a)	3.33	5.08	3.96	4.85	5.95
Average Trade Receivables Turnover (days)	1	1	1	1	1
Average Trade Payables Turnover (days)	31	32*	37*	40*	40
Average Inventory Turnover (days)	41	40*	48*	51*	52

Notes: For detailed definitions and financial calculations, please refer to the Company's Prospectus or our Company's website.

* This number has been restated following the reclassification of certain amounts from Other Operating Income to both Revenue and Cost of Sales.

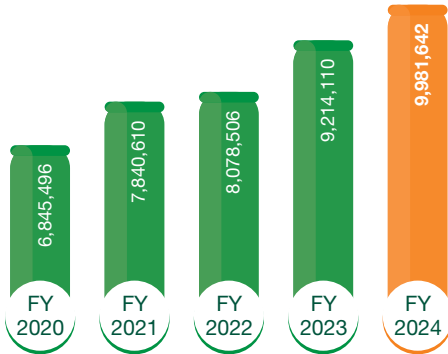
[^] The normalised PAT and normalised PAT Margin exclude the one-off special bonus, related statutory contributions and IPO listing expenses.

^(a) This is computed based on the weighted average number of ordinary shares for the financial year under review amounting to 8,245,901,639.

5-YEAR FINANCIAL HIGHLIGHTS

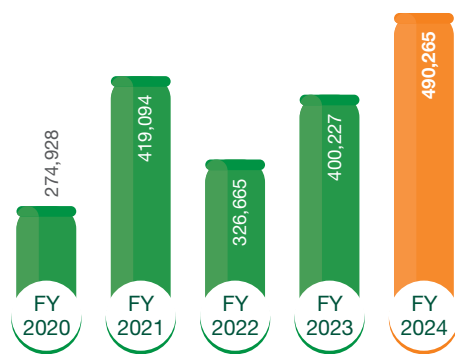
REVENUE (RM'000)

Increase **8.33%** 



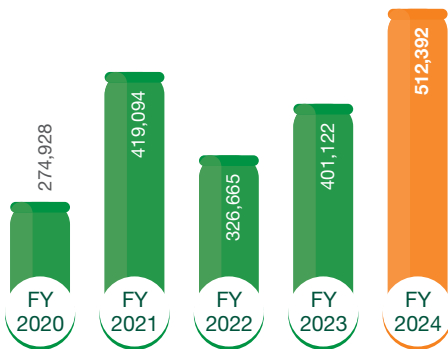
PROFIT AFTER TAXATION ("PAT") (RM'000)

Increase **22.50%** 



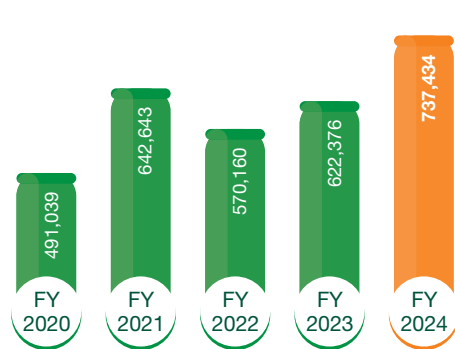
NORMALISED PAT (RM'000)

Increase **27.74%** 



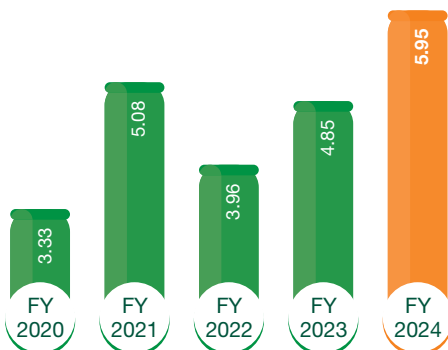
ADJUSTED EBITDA (RM'000)

Increase **18.49%** 




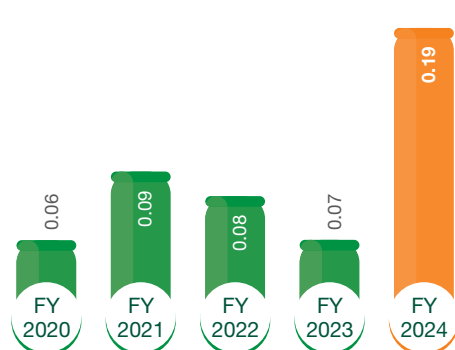
EARNINGS PER SHARE (sen)

Increase **22.68%** 



NET ASSETS PER SHARE (RM)

Increase **171.43%** 





**2024
SUSTAINABILITY
STATEMENT**

Table of Contents

Redefining Excellence in Grocery Retail	56	Promoting Ethical Governance and Transparency	76
About this Statement	56	Regulatory Compliance	77
Initiating Our Sustainability Journey	56	Corporate Governance and Anti-Corruption	77
Reporting Scope and Boundary	57	Information Security and Data Protection	79
Reporting Framework	57	Advancing Environmental Responsibility and Sustainability	80
Assuring Data Integrity	57	Energy Management	81
Your Input Matters	57	Emissions Management	82
Sustainability Highlights	58	Waste Management	85
Empowering Positive Change	59	Water Efficiency	86
99 Speedmart's ESG Strategy	59	Fostering Employee Well-being and Community Engagement	87
ESG Policy: Underpinning Our Progress	60	Customer Satisfaction	88
Sustainability Governance	61	Employee Health, Safety and Well-being	88
Contributing to Global Goals	62	Human Rights and Labour Practices	89
Stakeholder Engagement Communication Model	64	Training, Education and Talent Development	90
Prioritising Sustainability Issues	66	Employment and Diversity, Equity, and Inclusion ("DEI")	93
Key Performance Indicators ("KPIs")	67	Community Engagement	95
Securing a Climate-Resilient Future	69	Stepping Forward in Sustainability	97
Governance	69	Performance Data Table	98
Strategy	70	GRI Content Index	101
Risk Management	71		
Metrics and Targets	71		
Ensuring Quality in Products and Services	72		
Economic Performance	73		
Market Reach	74		
Product Quality & Customer Health and Safety	75		
Sustainable Supply Chain	75		



SUSTAINABILITY STATEMENT

Cont'd

Redefining Excellence in Grocery Retail

About this Statement

99 Speed Mart Retail Holdings Berhad (“**99 Speedmart**” or “**the Company**”) and its subsidiaries (“**the Group**”) are pleased to present our inaugural sustainability statement, reflecting our commitment to integrating sustainable practices across our operations to create long-term value for people and planet. The statement highlights the initial steps we have taken in embarking on our sustainability journey.

Initiating Our Sustainability Journey



As a key player in the grocery retail sector, 99 Speedmart continues to strengthen its market presence through the rapid expansion of its outlets. Guided by our Near n' Save ethos, the Group is dedicated to providing an accessible, convenient and welcoming shopping experience while generating positive impacts for the environment and society.

A significant milestone in this journey was the successful listing of the Company on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), a reflection of our long-term growth and value creation for stakeholders. Building on this achievement, we are proud to present our first-ever sustainability statement, marking a pivotal step forward in our sustainability journey.

In our commitment to responsible business practices, 99 Speedmart has developed a comprehensive sustainability framework, establishing a structured approach to sustainability. Our approach also includes the development of a robust governance structure and the completion of a materiality assessment, benchmarked against industry peers, ensuring our priorities align with stakeholder expectations.

To further underscore our dedication to transparency and accountability, the Group has disclosed its environmental, social and governance (“**ESG**”) performance in accordance with Bursa Securities’ Main Market Listing Requirements (“**MMLR**”) and the Bursa Securities’ Sustainability Reporting Guide (3rd Edition). These efforts signify our efforts to integrate sustainability into our core operations, reinforcing our long-term vision for responsible and resilient growth.

Looking ahead, 99 Speedmart will continuously monitor, measure and enhance its performance, working towards a resilient future for generations to come.

SUSTAINABILITY STATEMENT

Cont'd

Reporting Scope and Boundary

The reporting period for this statement covers 1 January 2024 to 31 December 2024 (“FY2024”) and includes the business activities of our headquarters, distribution centres (“DCs”) and outlets across Malaysia under these subsidiaries.

Company / Subsidiary	Business Activities	Entities
99 Speed Mart Retail Holdings Berhad	Investment holding	• 1 Headquarters (Klang)
99 Speed Mart Sdn Bhd	Retail of consumable merchandise and other household products via its network of “mini mart” outlets	• 15 DCs
99 Speed Mart (East Malaysia) Sdn Bhd		• 2,522 outlets
		• 1 Headquarters (KKIP)
		• 4 DCs
		• 256 outlets
Yiwu J-Jade Trading Co., Ltd	Investment holding	-
Yiwu Speed Mart Import & Export Co., Ltd	Exporting of consumable merchandise and other household products	-

Reporting Framework

This statement adheres to Bursa Securities’ MMLR and complies with the Bursa Securities’ Sustainability Reporting Guide (3rd Edition). Our disclosures are also aligned with the Global Reporting Initiative (“GRI”) standards and the United Nations Sustainable Development Goals (“UN SDGs”).

Assuring Data Integrity

The data presented in this sustainability statement has been sourced and internally reviewed the respective information owners within the Group. We will continue to enhance our data collection and analysis processes to strengthen the credibility and reliability of our disclosures.

Your Input Matters

We value your feedback as it helps us advance our sustainability journey. Kindly direct any feedback and enquiries to the contact points below.

99 Speed Mart Retail Holdings Berhad

Lot PT 2811, Jalan Angsa
Taman Berkeley
41150 Klang
Selangor Darul Ehsan
Malaysia
Tel. No. : +603 3362 6863
Email : corporate@99speedmart.com.my
Website : <https://www.99speedmart.com.my>

SUSTAINABILITY STATEMENT

Cont'd

Sustainability Highlights

Ensuring Quality in Products and Services



252

new outlets established across Malaysia



Zero

cases of customer health and safety-related issues/incidents



99%

procurement budget allocated to local suppliers

Promoting Ethical Governance and Transparency



Zero

confirmed incidents of bribery and corruption



100%

employees trained on anti-corruption



Zero

substantiated complaints regarding customer privacy breaches and data loss

Advancing Environmental Responsibility and Sustainability



2,566 MWh

of electricity consumption sourced from solar power



25,144 tonnes

of waste diverted from landfills



Scope 1, 2 & 3

greenhouse gas emissions tracked and reported

Fostering Employee Well-being and Community Engagement



91.17%

achieved for customer satisfaction



100%

employees hired locally (for headquarters and outlets)



RM5.33 million

contributed to community programmes

SUSTAINABILITY STATEMENT

Cont'd

Empowering Positive Change

99 Speedmart's ESG Strategy

Our ESG framework embeds sustainability into our corporate goals, enabling informed decision-making and driving long-term value for the business and stakeholders. Anchored on four core pillars, it aligns with our material matters and the relevant UN SDGs, ensuring a structured and focused approach to advancing key ESG objectives and priorities.

Vision			
To maintain our image as one of Malaysia's market leaders in the retail grocery sector, we aim to provide a wide and diverse range of daily use products of the highest quality. Additionally, we provide strong value proposition to our customers to ensure that customers' needs are met with efficiency and care.			
Mission			
To stay true to our ethos of Near n' Save, we aim to further save time and money for our customers by improving our economies of scale. To achieve this, we integrate a vast network of DCs and advanced logistics system that complement our outlets, resulting in economic efficiency, and more competitive prices for our customers.			
Strategic Thrusts			
Strengthening Product Excellence and Customer Service for Sustainable Economic Growth	Upholding Transparency and Accountability to Foster Stakeholder Trust	Pursuing Eco-Friendly Practices for Greener Growth and Resilience	Accelerating Human Capital Development and Enhancing Well-being for All

Sustainability Pillars & Material Sustainability Matters			
<p>Ensuring Quality in Products and Services</p> <ul style="list-style-type: none"> 1) Economic Performance 2) Market Reach 3) Product Quality & Customer Health and Safety 4) Sustainable Supply Chain 	<p>Promoting Ethical Governance and Transparency</p> <ul style="list-style-type: none"> 1) Regulatory Compliance 2) Corporate Governance and Anti-Corruption 3) Information Security and Data Protection 	<p>Advancing Environmental Responsibility and Sustainability</p> <ul style="list-style-type: none"> 1) Energy Management 2) Emissions Management 3) Waste Management 4) Water Efficiency 	<p>Fostering Employee Well-being and Community Engagement</p> <ul style="list-style-type: none"> 1) Customer Satisfaction 2) Employee Health, Safety and Well-being 3) Human Rights and Labour Practices 4) Training, Education and Talent Development 5) Employment 6) Community Engagement 7) Diversity, Equity and Inclusion ("DEI")

Contribution to the UN SDGs							

Key Stakeholder Groups			
	Shareholders and Investors		Government and Regulatory Authorities
	Employees		Customers
	Suppliers		Local Community
	Media		

SUSTAINABILITY STATEMENT

Cont'd

ESG Policy: Underpinning Our Progress

Our ESG Policy ensures the integration of reliable and responsible business practices across our operations, focusing on four key areas – environmental, economic, social and governance.

The Four Key Areas of Sustainability	
Ensuring Quality in Products and Services	<ul style="list-style-type: none"> • Building Competitiveness: Strengthening products, services and supplier relationships for a resilient supply chain. • Local Partnerships for Economic Development: Prioritising local suppliers and maximising local employment opportunities. • Customer-Centric Approach: Embracing feedback to enhance customer experiences. • Innovation for Sustainability: Advancing eco-friendly retail, adopting technology and promoting sustainable products. • Promoting Supply Chain Transparency and Fair Trade: Ensuring supply chain transparency and fair-trade practices.
Promoting Ethical Governance and Transparency	<ul style="list-style-type: none"> • Strong Governance Practices and Anti-Corruption: Strengthening oversight, ethical standards and fraud prevention. • Compliance with Laws and Regulations: Ensuring strict adherence to laws, regulations and industry standards. • Ethical Business Practices and Financial Integrity: Upholding transparency, honesty and responsible business practices. • Stakeholder Engagement and Communication: Fostering open communication to build trust and strengthen relationships. • Information Security and Data Protection: Protecting customer and employee data while ensuring regulatory compliance.
Advancing Environmental Responsibility and Sustainability	<ul style="list-style-type: none"> • Carbon Emission Reduction: Monitoring, managing and reducing our carbon footprint to meet climate goals. • Efficient Resource Utilisation: Optimising electricity and water consumption. • Waste Minimisation and Recycling: Minimising waste and promoting reuse and recycling. • Sustainable Sourcing and Logistics: Adopting responsible and eco-friendly logistics and sourcing practices. • Fostering Circular Economy Practices: Advancing sustainable packaging and recycling initiatives.
Fostering Employee Well-being and Community Engagement	<ul style="list-style-type: none"> • Health and Safety: Ensuring a safe workplace by adopting industry best practices and achieving low injury rates. • Diversity and Inclusion: Fostering a non-discriminatory environment and building a vibrant community. • Human Rights and Fair Labour Practices: Upholding ethical standards and treating all individuals with respect, dignity and fairness. • Community Engagement: Strengthening relationships through local initiatives. • Training and Workforce Development: Promoting continuous learning, growth and talent development. • Customer Satisfaction: Delivering quality products and services while improving products and services through feedback. • Employment: Providing stable and inclusive job opportunities and ensuring fair compensation.

For further details on 99 Speedmart’s ESG policy, please visit:

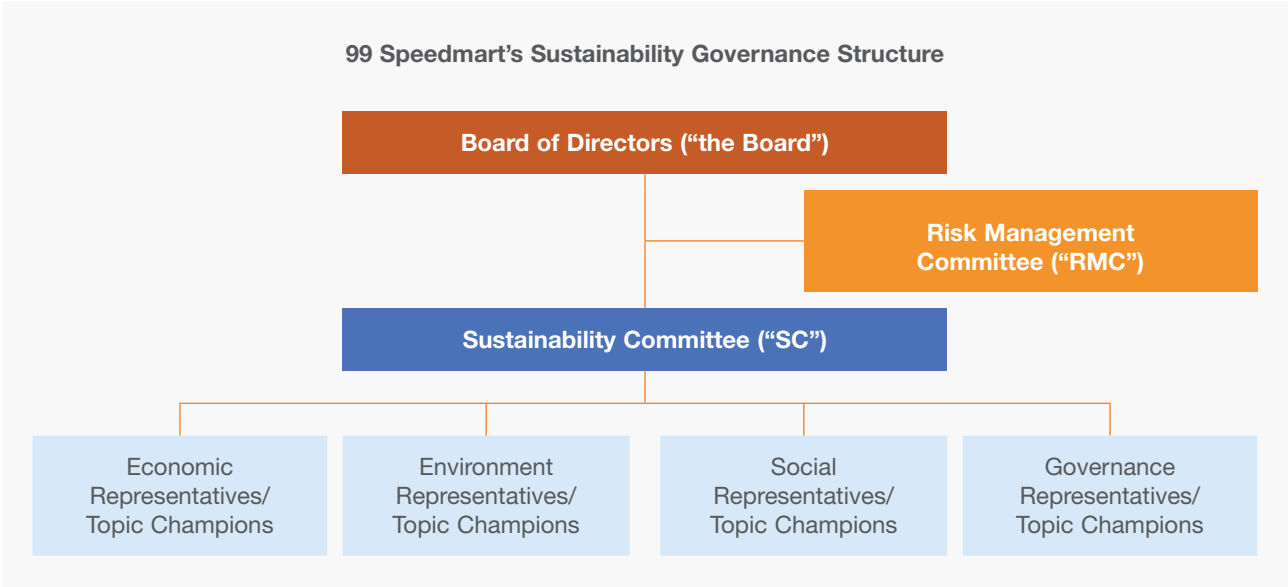
<https://99speedmart.com.my/wp-content/uploads/2025/04/99-Speed-Mart-Sustainability-Framework.pdf>

SUSTAINABILITY STATEMENT

Cont'd

Sustainability Governance

Robust governance underpins our sustainability strategy, ensuring the effective implementation of initiatives and accountability across the organisation. Our sustainability governance structure outlines clearly defined roles and responsibilities across the Board of Directors, Risk Management Committee and Sustainability Committee, embedding sustainability in decision-making to drive ESG performance and long-term value creation.



The Board	Provides strategic oversight of the Group’s sustainability agenda by ensuring regulatory compliance, integrating ESG risks and opportunities into the Group’s strategy and risk management framework, approving key policies and disclosures and fostering a strong sustainability culture.
------------------	---

RMC	Monitors and communicates critical risks to the Board, integrates ESG considerations into the Group’s risk management framework, oversees business and sustainability risks, ensures processes and resources are in place for sustainability commitments and reviews ESG disclosures.
------------	---




SC	Develops and implements sustainability policies and strategies, manages key metrics and performance tracking, integrates ESG risks into business strategy and reports progress to the Board. Through its representatives/topic champions, the SC ensures the implementation of sustainability practices while monitoring and measuring ESG performance.
-----------	---

SUSTAINABILITY STATEMENT

Cont'd






Contributing to Global Goals

The UN SDGs serve as a universal blueprint for building a more equitable and thriving world by 2030. At 99 Speedmart, we align our initiatives with these goals, ensuring our contributions support global sustainability efforts. The UN SDGs guide our approach to managing risks and leveraging opportunities while also shaping our practices to deliver lasting positive impacts for the environment and society.

SDG	Target	Initiatives and Performances
 <p>1 NO POVERTY</p>	<p>Target 1.2: Reduce at least by half the proportion of men, women, and children of all ages living in poverty</p>	<ul style="list-style-type: none"> • Ensured essential goods remain accessible to low income communities by maintaining competitive pricing through centralised purchasing and efficient supply chain management • Generated numerous job opportunities by prioritising local employment through the rapid expansion of 99 Speedmart outlets, providing stable jobs and income for local communities
	<p>Target 1.4: Ensure that all men and women, the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services</p>	<ul style="list-style-type: none"> • Supported underprivileged communities through initiatives such as food bank programmes, essential aid donations, and efforts to improve access to necessities for vulnerable groups, including the low income community and victims of floods and natural disasters
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Target 3.8: Achieve universal health coverage and access to quality essential healthcare services</p>	<ul style="list-style-type: none"> • Established a safe and healthy workplace through a comprehensive Occupational Health and Safety (“OHS”) policy, including conducting regular risk assessments, hazard identification, OHS compliance and training such as forklift safety • Provided employees with safety equipment, reflective uniforms and vests for external personnel at DCs
	<p>Target 3.d: Strengthen the capacity for early warning, risk reduction and management of health risks</p>	<ul style="list-style-type: none"> • Offered group insurance covering personal accidents and ensured employees participated in Department of Occupational Safety and Health (“DOSH”) training with certified workplace safety coordinators • Established an incident reporting process, emergency response plans and regular audits to uphold safety standards • Displayed safety memos in all DCs to promote awareness and compliance
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix</p>	<ul style="list-style-type: none"> • Upgraded 839 outlets by replacing air conditioners with energy-efficient inverter models and improved 857 outlets by installing glass-door display freezers. Replaced all conventional lighting with light-emitting diode (“LED”) lights to reduce energy consumption • Installed solar PV systems at 65 outlets, as well as all 15 DCs in Peninsular Malaysia, achieving an average of 30% in electricity expenses

SUSTAINABILITY STATEMENT

Cont'd

<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities</p> <p>Target 8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery, and secure the prohibition and elimination of child labour</p> <p>Target 8.8: Protect labour rights and promote safe and secure working environments for all workers</p>	<ul style="list-style-type: none"> • Hired 100% local employees at all outlets and participated in career fairs by PERKESO, TALENTBANK and local universities to recruit fresh graduates and underrepresented groups, including hiring 130 differently-abled individuals • Adhered to legal requirements to protect fair labour rights and uphold human rights and ethical labour practices through our Code of Conduct and Business Ethics (“COBE”) and Employee Handbook, which prohibits forced labour, child labour, discrimination and harassment • Established a whistle-blowing channel for employees to report unethical practices within the Group • Supported employee growth with training, education and talent development, including structured onboarding, employee recognition programmes, competitive benefits and career advancement opportunities
<p>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</p> 	<p>Target 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies</p>	<ul style="list-style-type: none"> • Replaced 100 old distribution lorries with more fuel-efficient models through a one-to-one elimination process, phasing out vehicles over 10 years old to improve transport efficiency and reduce environmental impact • Strengthened information security and data protection through digitalisation initiatives, such as the use handheld terminals for transaction collection, goods receiving, stocktaking and returns, reducing manual data entry errors • Implemented a customised mobile application for image data capturing to streamline operations and improve accuracy
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>Target 12.5: Substantially reduce waste generation through prevention, reduction, recycling and reuse</p>	<ul style="list-style-type: none"> • Launched the Bag-for-Life Reusable Bag and Plastic-Free Campaign to encourage customers to replace single-use plastic bags with durable, reusable alternatives, offering free replacements for reusable bags • Funded a recycling centre by supporting proceeds from plastic bag sales to promote waste reduction habits and sustainable recycling practices • Developed a high-recycling waste regime to recover various recyclable materials such as metals, aluminium, plastics and cardboard • Partnered with BioLoop to upcycle organic materials into Black-Soldier-Fly (“BSF”) derivatives
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> 	<p>Target 16.5: Substantially reduce corruption and bribery in all their forms</p>	<ul style="list-style-type: none"> • Strengthened corporate governance and anti-corruption practices by developing an Enterprise Risk Management (“ERM”) framework with the Board, Committees, Internal Auditor, Risk Managers and Risk Owners collaborating to oversee and implement ERM policies and practices • Identified and developed mitigation strategies for its top 10 risks, including changes in government policy, legal risks, supply chain disruptions, health and safety risks, cybersecurity threats and environmental hazards such as floods and fires
<p>17 PARTNERSHIPS FOR THE GOALS</p> 	<p>Target 17.17: Encourage and promote effective public, public-private and civil society partnerships</p>	<ul style="list-style-type: none"> • Provided food aid kits to flood victims in six relief centres (“PPS”) in Kedah, in collaboration with the 4B Youth Movement Malaysia and the Volunteer Firefighters Association • Continued collaboration with University Kebangsaan Malaysia (“UKM”) to provide employees with tailored education programmes, delivering 115 classes and 15,016 training hours

SUSTAINABILITY STATEMENT

Cont'd

Stakeholder Engagement Communication Model

As people are the backbone of our business, we recognise the importance of meaningful engagement to address their needs and expectations. To strengthen these relationships, we employ a range of communication channels to gain valuable insights, identify material issues and build enduring relationships. The approach ensures that stakeholders' voices are heard, and their feedback is incorporated into our strategies, fostering trust and long-term partnerships.

	Shareholders and Investors	Government & Regulatory Authorities	Customers
Why They Matter	Provide capital to drive 99 Speedmart's growth and innovation, while their confidence reinforces stability, competitiveness and sustainability.	Ensure the Group operates legally and ethically by enforcing compliance with business laws, industry regulations and sustainability standards.	Drive the Group's success by shaping business growth, generating revenue and influencing product offerings.
How We Engage	<ul style="list-style-type: none"> • General meetings (Annually) • Financial reports and disclosures (Quarterly/Annually) 	<ul style="list-style-type: none"> • Regulatory seminars and conferences (As required) • Meetings with government agencies (Ongoing) • Industry consultations and public dialogues (Periodic) 	<ul style="list-style-type: none"> • Customer satisfaction surveys (Ongoing) • Social media and customer service hotlines (Ongoing) • In-store feedback (Ongoing)
Areas of Concern	<ul style="list-style-type: none"> • Business growth and profitability • Business strategy and future plans • Governance and risk management • Transparency in financial and ESG performance 	<ul style="list-style-type: none"> • Compliance with local laws and regulations • Environmental and sustainability compliance • Consumer protection and fair business practices • Food security issues 	<ul style="list-style-type: none"> • Product availability and affordability • Outlet cleanliness • Product and service quality • Customer experience and complaints resolution • Customer data privacy
Our Response to Concerns	<ul style="list-style-type: none"> • Maintained robust financial performance through strategic expansion, cost efficiency and innovation • Upheld the highest standards of corporate governance, with regular reviews of internal controls, risk management frameworks and compliance with legal and regulatory requirements • Provided clear, accurate and timely disclosures regarding both financial performance and ESG initiatives, ensuring that all material risks and opportunities were effectively addressed 	<ul style="list-style-type: none"> • Ensured full compliance with relevant local laws and regulations by regularly reviewing legal requirements and updating internal policies to align with any regulatory changes • Implemented fair business practices and consumer protection measures including transparent pricing, product labelling and addressing consumer complaints promptly in accordance with legal standards • Ensured safe sourcing, handling and distribution of food products, working closely with relevant authorities to meet food safety standards and mitigate any potential risks to public health 	<ul style="list-style-type: none"> • Maintained competitive pricing strategies while ensuring optimal stock levels across outlets through streamline inventory management • Enhanced outlet cleanliness through regular cleaning schedules to ensure hygiene standards are consistently met • Implemented quality control measures for products and services, including regular product inspections and customer satisfaction surveys • Strengthened data privacy protocols by adhering to relevant data protection laws and implementing secure systems for handling and storing customer data, ensuring customers' personal information is safeguarded

SUSTAINABILITY STATEMENT

Cont'd

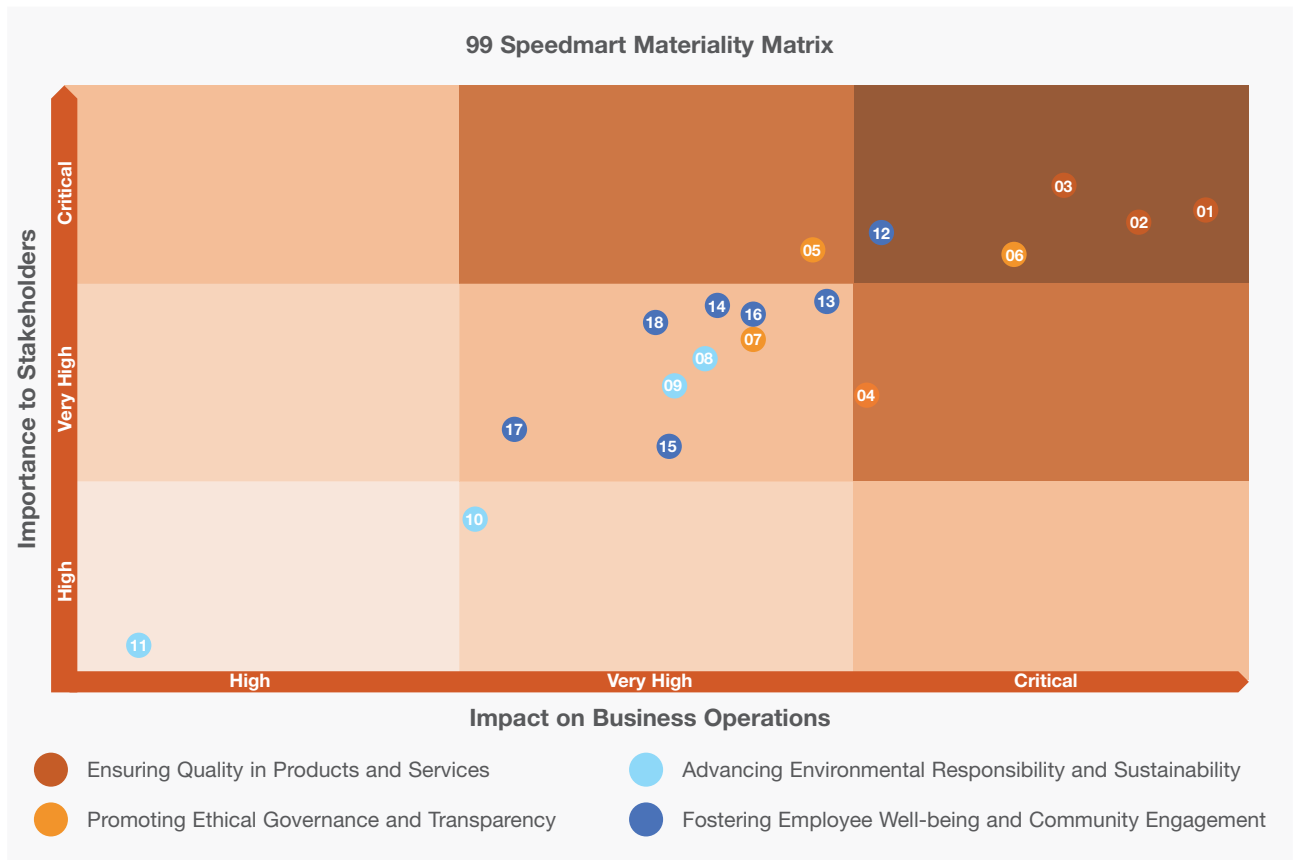
Employees	Suppliers	Local Community	Media
<p>Drive operational efficiency, customer satisfaction and business growth through dedication and expertise.</p>	<p>Ensure a reliable supply of quality products, maintain operational efficiency and support business growth.</p>	<p>Provide a loyal customer base, workforce and support for sustainable growth and social responsibility initiatives.</p>	<p>Shape the Group's reputation, enhance visibility and keep the public and customers informed on key developments and initiatives.</p>
<ul style="list-style-type: none"> • Internal communication platforms (Ongoing) • Employee performance reviews (Annually) • Training programmes and workshops (Periodic) • Employee surveys and feedback sessions (Ongoing) 	<ul style="list-style-type: none"> • Supplier meetings and negotiations (Ongoing) • Supplier performance assessments (Annually) • Contracts and agreements (As required) 	<ul style="list-style-type: none"> • Corporate Social Responsibility ("CSR") programmes and community outreach (Periodic) • Local hiring initiatives (Ongoing) • Public engagement and sponsorships (As required) 	<ul style="list-style-type: none"> • Press releases and media briefings (As required) • Social media and digital communication (Ongoing) • Interviews and media inquiries (As required)
<ul style="list-style-type: none"> • Career development and training opportunities • Workplace health and safety • Inclusive work environment • Fair wages and benefits 	<ul style="list-style-type: none"> • Fair and efficient procurement practices • Payment terms and business continuity 	<ul style="list-style-type: none"> • Community development and support • Environmental impact of operations • Job opportunities and local hiring 	<ul style="list-style-type: none"> • Transparency in corporate and sustainability efforts • Timely and accurate business updates • Public relations and crisis communication
<ul style="list-style-type: none"> • Provided continuous learning and development programmes, including in-house training sessions and clearly defined career progression plans to support employee growth • Implemented an OHS policy, conducting regular risk assessments, OHS training and safety audits to ensure a safe and healthy workplace • Offered equal opportunities and non-discriminatory employment practices, with career promotion opportunities linked to individual performance and salary increments 	<ul style="list-style-type: none"> • Maintained transparent, fair, and efficient procurement processes by clearly defining supplier selection criteria, regularly reviewing supplier performance, and ensuring equal opportunities for all potential suppliers • Ensured timely payments by adhering to agreed-upon payment terms and fostering long-term, mutually beneficial partnerships with suppliers 	<ul style="list-style-type: none"> • Supported community welfare initiatives through regular CSR programmes, including donations to local causes and active participation in community development projects • Reduced environmental impact through sustainability efforts such as waste and emissions reduction, as well as energy-efficient technologies • Prioritised local hiring by actively recruiting from the surrounding communities and partnering with job fairs and educational institutions to support local employment growth 	<ul style="list-style-type: none"> • Provided accurate, timely and clear updates on corporate and sustainability initiatives through press releases, annual reports and company website • Engaged with media professionals to ensure transparent communication • Engaged proactively with media professionals to ensure transparent communication, and developed a crisis communication plan to manage any potential issues swiftly and responsibly, minimising reputational risks

SUSTAINABILITY STATEMENT

Cont'd

Prioritising Sustainability Issues

A materiality assessment enables us to identify and prioritise ESG issues that are most significant to our business and stakeholders. The process provides a structured approach to decision-making, ensuring that resources and initiatives are focused on areas with the greatest impact. In 2024, we conducted our first materiality assessment, identifying and prioritising 18 material matters that will inform our strategies and drive meaningful progress towards our sustainability objectives. Our top prioritised material matters for FY2024 are Economic Performance, Market Reach, Product Quality and Customer Health and Safety, Corporate Governance and Anti-Corruption and Customer Satisfaction.



No.	Material Sustainability Matters	Level of Importance
01	Economic Performance	Critical Importance
02	Market Reach	
03	Product Quality & Customer Health and Safety	
06	Corporate Governance and Anti-Corruption	
12	Customer Satisfaction	
04	Sustainable Supply Chain	
05	Regulatory Compliance	

No.	Material Sustainability Matters	Level of Importance
13	Employee Health, Safety and Well-being	Very High Importance
16	Employment	
07	Information Security and Data Protection	
14	Human Rights and Labour Practices	
08	Energy Management	
18	Diversity, Equity and Inclusion ("DEI")	
09	Emissions Management	
15	Training, Education and Talent Development	
17	Community Engagement	
10	Waste Management	
11	Water Efficiency	High Importance

SUSTAINABILITY STATEMENT

Cont'd

Key Performance Indicators (“KPIs”)

KPIs track and measure our progress in integrating ESG factors into our operations. These indicators reflect our efforts to create lasting positive impacts on the environment and society. By focusing on measurable outcomes, we ensure our initiatives align with long-term goals and contribute to value creation for stakeholders.

ESG Pillars	Material Topic	FY2024 Targets	FY2024 Performance
Ensuring Quality in Products and Services	Economic Performance	<ul style="list-style-type: none"> Achieve 0.20% of overall revenue contribution from our new e-commerce platform, 99 Bulksales 	<ul style="list-style-type: none"> Achieved 0.23% of overall revenue contribution
	Market Reach	<ul style="list-style-type: none"> Expand our network to 2,750 outlets and above across Malaysia 	<ul style="list-style-type: none"> Established 2,778 outlets across Malaysia
	Product Quality & Customer Health and Safety	<ul style="list-style-type: none"> Secure zero cases of customer health and safety-related issues/incidents 	<ul style="list-style-type: none"> Recorded zero complaints related to customer health and safety
	Sustainable Supply Chain	<ul style="list-style-type: none"> Sustain a local product sourcing rate of over 90% 	<ul style="list-style-type: none"> Achieved a local product sourcing rate of 99%
Promoting Ethical Governance and Transparency	Corporate Governance and Anti-Corruption	<ul style="list-style-type: none"> Achieve zero cases of corruption 	<ul style="list-style-type: none"> Recorded zero cases of corruption
	Information Security and Data	<ul style="list-style-type: none"> Attain zero reported data breaches 	<ul style="list-style-type: none"> Recorded zero reported cases of data breaches
Fostering Employee Well-being and Community Engagement	Employee Health, Safety and Well-being	<ul style="list-style-type: none"> Achieve zero cases of major health and safety-related injuries/incidents 	<ul style="list-style-type: none"> Reported 6 work-related injuries
	Training & Education	<ul style="list-style-type: none"> Attain a total of 16,000 total training hours, with 100 classes under the training programme with Universiti Kebangsaan Malaysia. 	<ul style="list-style-type: none"> Delivered 115 classes and 15,016 training hours
	Diversity, Equity and Inclusion (DEI)	<ul style="list-style-type: none"> Secure at least 30% female representation in the workforce 	<ul style="list-style-type: none"> Achieved a female workforce representation of 47.94%
		<ul style="list-style-type: none"> Ensure that not more than 25% of employees are earning minimum wage 	<ul style="list-style-type: none"> Recorded minimum wage earners at 3.85%
		<ul style="list-style-type: none"> Provide job opportunities for differently-abled individuals 	<ul style="list-style-type: none"> Employed 130 differently-abled individuals
	Employment	<ul style="list-style-type: none"> Hire 100% local employees at the branch level 	<ul style="list-style-type: none"> Recruited 100% local employees at the branch level
		<ul style="list-style-type: none"> Limit the employment of foreign workers to below 5% 	<ul style="list-style-type: none"> Maintained foreign worker employment below 5%
	Local Communities	<ul style="list-style-type: none"> Organise at least one (1) CSR project in each state where we operate 	<ul style="list-style-type: none"> Successfully organised at least one CSR project per state
<ul style="list-style-type: none"> Establish a volunteer team among 99 Speedmart staff in collaboration with <i>Jabatan Bomba dan Penyelamat Malaysia</i> 		<ul style="list-style-type: none"> Established the 99 Speedmart <i>Bomba Sukarela</i> Team and conducted 9 CSR projects 	

SUSTAINABILITY STATEMENT

Cont'd

ESG Pillars	Material Topic	FY2024 Targets	FY2024 Performance
Advancing Environmental Responsibility and Sustainability	Energy Management	<ul style="list-style-type: none"> Achieve a minimum of 30% energy replacement rate through solar PV systems for total electricity consumption at DCs in Peninsular Malaysia 	<ul style="list-style-type: none"> Installed Solar PV systems at 15 DCs in Peninsular Malaysia, achieving a 33.6% energy replacement rate
		<ul style="list-style-type: none"> Install solar PV systems at 60 outlets (80% increase from FY2023) 	<ul style="list-style-type: none"> Installed Solar PV systems at 65 outlets
		<ul style="list-style-type: none"> Achieve a minimum of 95% of LED fittings. 	<ul style="list-style-type: none"> Achieved 99% LED adoption
	Emissions Management	<ul style="list-style-type: none"> To establish a reduction target for GHG emissions upon completion of data collection 	<ul style="list-style-type: none"> Commenced data collection for Scope 1, 2 and limited Scope 3 GHG emissions
		<ul style="list-style-type: none"> Replace at least 100 out of 600 lorries with newer models featuring Vehicle Identification Numbers ("VIN") from 2023 onward 	<ul style="list-style-type: none"> Replaced 100 lorries as of FY2024
	Waste Management	<ul style="list-style-type: none"> Divert at least 95,000 kg (66.32% increase from FY2023) of non-meat food waste from landfills through Black Soldier Fly ("BSF") treatment 	<ul style="list-style-type: none"> Diverted 92,615 kg of non-meat food waste through BSF treatment
		<ul style="list-style-type: none"> Attain zero use of single-use plastic bags as product carriers across Peninsular Malaysia by end of year 	<ul style="list-style-type: none"> Joined <i>Kementerian Perumahan Dan Kerajaan Tempatan</i> initiative and eliminated single-use plastics at all outlets in Peninsular Malaysia
		<ul style="list-style-type: none"> Increase cardboard recycling to above 22,000 tonnes 	<ul style="list-style-type: none"> 24,712 tonnes of cardboard recycled
	Water Efficiency	<ul style="list-style-type: none"> To establish a reduction target for water consumption upon completion of data collection 	<ul style="list-style-type: none"> Commenced data collection on internal water consumption

Legend: ■ Achieved ■ In Progress

SUSTAINABILITY STATEMENT

Cont'd

Securing a Climate-Resilient Future

As an eco-conscious mini market chain, 99 Speedmart prioritises climate-related risks and opportunities as part of our sustainability journey. We strive to understand and mitigate the impacts of climate change across our operations and value chain while aligning our strategy with a low-carbon future to enhance resilience and drive sustainable growth.

To meet evolving regulatory expectations, we have aligned our climate strategy and reporting with the newly established National Sustainability Reporting Framework (“NSRF”), integrating key elements of International Financial Reporting Standard (IFRS) S2 to enhance transparency and accountability. Our structured approach ensures robust governance, strategy, risk management and performance tracking, reinforcing our dedication to climate resilience and sustainability reporting.

Governance

We have established a sustainability governance framework to drive our sustainability agenda, ensuring alignment with strategic priorities and regulatory requirements. The Board oversees sustainability matters, reinforcing accountability at the highest level while the RMC and SC manages climate-related risks and opportunities, fostering a structured and proactive approach to sustainable growth.

Governance Bodies	Roles and Responsibilities
Board	<p>The Board acknowledges its responsibility in overseeing climate-related governance and ensuring the Group addresses climate-related risks and opportunities effectively. Key responsibilities include:</p> <ul style="list-style-type: none"> • Providing strategic oversight and approving sustainability strategies, policies, and performance, encompassing climate-related matters • Ensuring the incorporation of climate considerations into business strategies, especially during annual business planning and performance reviews
The Management	<p>The Management is responsible for integrating climate change considerations into the Group’s long-term strategy and embedding climate-related risks into the overall risk management framework, ensuring a proactive approach to emerging threats. Key responsibilities include:</p> <ul style="list-style-type: none"> • Ensuring the integration of climate-related objectives into the Group’s long-term strategy, aligning operations and business goals with climate considerations • Monitoring the effectiveness of the climate-related risk management process and ensuring alignment with relevant climate frameworks • Tracking progress towards climate-related goals and targets, including carbon emissions, energy consumption and adherence to climate-related frameworks

SUSTAINABILITY STATEMENT

Cont'd

Strategy

Recognising the importance of climate resilience, we have developed a comprehensive strategy to address climate challenges and opportunities. Focused on adaptation and mitigation, it also prepares the Group for future uncertainties. By anticipating risks and integrating long-term solutions, we aim to safeguard our operations and drive growth across near-, medium-, and long-term horizons.

Transitional Risk	Description
Technology	This risk refers to the potential increase in costs associated with transitioning to low-carbon technologies and practices such as the implementation of energy-saving facilities, low-carbon production processes and other green technologies which may lead to higher initial investments and ongoing operational expenses.
Risk Factors	Key Mitigation Controls
<ul style="list-style-type: none"> Increased Capital Expenditure: Initial investment in low-carbon technologies, such as energy-efficient equipment or renewable energy sources, may require significant upfront capital, impacting cash flow Operational Costs: Adoption of low-carbon production processes may result in higher operational costs due to new technologies, maintenance and training 	<ul style="list-style-type: none"> Operational Efficiency Measures: Identified and implemented energy-saving facilities and processes to reduce operational costs in the long run, such as energy-efficient lighting Renewable Energy Implementation: Installed solar panels at selected outlets to reduce dependency on traditional energy sources and lower long-term energy costs Green Fuel Trucks: Replaced traditional fuel-powered trucks with green fuel trucks to reduce emissions and lower operational costs over time Electric Vehicle ("EV") Adoption: Exploring avenues to transition from conventional fuel vehicles to EVs for transportation, reducing reliance on fossil fuels and lowering emissions while contributing to sustainability goals

Physical Risk	Description
Flood	This risk pertains to the potential detrimental effects on a business or organisation arising from the occurrence of a flood. Should a flood occur, it may lead to significant property damage, operational disruptions, and pose serious risks to the safety and well-being of employees and stakeholders.
Risk Factors	Key Mitigation Controls
<ul style="list-style-type: none"> Physical Damage: Flooding can cause significant physical damage, disrupt operations, result in inventory loss, and necessitate costly repairs Business Interruption: Natural disasters may lead to the forced closure of outlets, severely impacting business continuity Supply Chain Disruptions: Flooding can restrict transportation, causing delays and disruptions in the supply chain 	<ul style="list-style-type: none"> Business Continuity Planning: Developed comprehensive business continuity plans to ensure critical operations can continue during and after a natural disaster Climate and Weather Monitoring: Regular monitoring of climate and weather conditions to proactively mitigate the risk of unpreparedness for disasters Flood Insurance: Secured insurance coverage to mitigate financial losses due to flood damage Strategic Outlet Locations: Selected elevated or flood-resistant locations for new outlets to minimise the risk of flooding Flood Response SOPs: Established Standard Operating Procedures ("SOPs") and training for staff to ensure effective response during flood events Preparedness Equipment: Ensured readiness with appropriate flood-prevention equipment, such as sandbags, to manage rising water levels effectively

SUSTAINABILITY STATEMENT

Cont'd

Risk Management

Recognise that effective risk management is essential to achieving sustainable long-term growth, we have embedded sustainability and climate-related risks within our broader Enterprise Risk Management (“ERM”) framework, ensuring these matters are addressed with the same rigour as other strategic and operational risks.

Our RMC plays a key role in overseeing the identification, assessment, and management of ESG risks, including those related to climate change. The RMC is responsible for reviewing the Group’s risk profile and ensuring that all significant risks are appropriately identified and mitigated.

Risk Management	Description
Identification of Risks	The RMC collaborates closely with the management to identify current and emerging risks that may impact the Group’s operations, reputation and stakeholder confidence. These risks are reviewed regularly to ensure alignment with the evolving regulatory landscape, stakeholder expectations and sustainability developments.
Assessment of Risks	Climate-related and other sustainability risks are systematically integrated into the Group’s overall risk assessment and reporting mechanisms. These risks are evaluated in accordance with the Group’s established ERM processes, which involve assessing the likelihood and potential impact of each risk with reference to the Group’s defined risk appetite and tolerance thresholds.
Management of Risks	Upon identification, key risks are subject to ongoing monitoring and are managed through the implementation of appropriate mitigation strategies. The RMC ensures that management develops and implements action plans to mitigate the impact of material ESG and climate-related risks. The Committee also promotes a risk-aware culture across the organisation by ensuring relevant teams have the necessary training and resources to manage risks effectively.

Metrics and Targets

The Group commenced tracking and disclosing Scope 1, 2 and 3 GHG emissions, including sources such as employee commuting, business travel and operational waste in accordance with the GHG Protocol methodology and global best practices. In compliance with Bursa Securities’s MMLR, GRI Indicators and leading industry standards, we measure and report our environmental impact in tonnes of CO₂ equivalent (“tCO₂e”) for emissions, litres (“L”) and gigajoules (“GJ”) for fuel consumption, kilowatt-hours (“kWh”), megawatt-hours (“MWh”) and gigajoules (“GJ”) for energy consumption and metric tonnes (“MT”) for waste generation.

SUSTAINABILITY STATEMENT

Cont'd



Ensuring Quality in Products and Services

99 Speedmart generates economic value for the business, stakeholders and the broader economy by championing responsible practices, including empowering local vendors and suppliers, strengthening supply chain resilience and enhancing the customer experience. These efforts drive financial sustainability, long-term growth and contribute to the nation's economic development and collective prosperity.

Strategic Thrust

Ensuring Quality in Products and Services

Material Sustainability Matters

- Economic Performance
- Market Reach
- Product Quality & Customer Health and Safety
- Sustainable Supply Chain

Key Stakeholder Groups



Contribution to the UN SDGs



SUSTAINABILITY STATEMENT

Cont'd




Economic Performance

Our economic performance is the cornerstone of our long-term success, driving value creation for our stakeholders and shareholders. We consistently focus on enhancing profitability, optimising resource allocation and ensuring financial resilience to support continuous growth and development.



In FY2024, 99 Speedmart generated approximately RM9,981.64 million in revenue, representing an 8.33% of revenue growth as compared to FY2023, and achieved a profit after taxation of RM490.26 million.

To ensure sustained economic resilience, the Group implements strategic initiatives, including:

- 
Targeted Expansion
 Identifying suitable locations for new outlets to strengthen market presence and accessibility
- 
E-Commerce Development
 Enhancing the 99 Bulksales platform and expanding its geographical reach
- 
Competitive Pricing and Seasonal Offers
 Introducing dynamic promotions and seasonal campaigns to reinforce consumer loyalty and maintain a competitive advantage

These initiatives drive sustainable growth and strengthen our position as Malaysia's leading retail chain.

SUSTAINABILITY STATEMENT

Cont'd

Market Reach

Expanding our market reach is a key element of our strategy as we seek to broaden our presence and create new opportunities for business growth. By targeting new regions and diversifying our product offerings, we continue to strengthen our position in the marketplace.



As of FY2024, 99 Speedmart operates 2,778 outlets across 14 states and federal territories, supported by 19 DCs nationwide. We remain on track to achieve our target of 3,000 outlets by the end of 2025, with a planned annual expansion of 250 new outlets.

To ensure sustainable and responsible growth, we will continue expanding across Malaysia, focusing on Kedah, Penang, Terengganu, Pahang and Sabah, where demand for our retail services is rising. New outlets will be established in areas that enhance market penetration and serve a larger customer base while safeguarding same-store sales growth to prevent market saturation. This strategic approach optimises our retail footprint while maintaining financial resilience.

Furthermore, we will continue strengthening our logistics and supply chain capabilities to support our growing network and ensure seamless distribution of goods. Through these efforts, the Group remains committed to expanding our market reach while driving long-term sustainability and value creation for stakeholders.

SUSTAINABILITY STATEMENT

Cont'd

Product Quality & Customer Health and Safety

Ensuring the highest standards of product quality and prioritising customer health and safety are fundamental to our operations. As a responsible convenience outlet chain, we aim to deliver reliable, safe products that meet and exceed customer expectations. We uphold stringent health and safety protocols to protect stakeholders while ensuring full compliance with relevant regulations and industry best practices.

Our approach to product quality and customer health and safety is guided by robust inspection and quality assurance measures. All products sourced from our suppliers undergo thorough inspections, either by the suppliers themselves or through our internal verification processes. These inspections align with applicable regulations, Occupational Health and Safety Act 1994, Hazard Analysis and Critical Control Point (“**HACCP**”) standards or equivalent frameworks, to ensure the highest safety standards.

There were no health and safety-related issues or instances of non-compliance recorded in the year under review.

Customer Health and Safety	FY2024
Number of cases on customer health and safety related issues/incidents	0
Number of recalls issued and total units recalled for health and safety reasons	0
Total number of incidents of non-compliance with regulations or voluntary codes concerning the health & safety impacts of products and services within the reporting period	0
Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	100.00%

Sustainable Supply Chain

The Group works closely with suppliers to sustain a resilient and efficient supply chain, ensuring the delivery of high-quality products while upholding operational excellence. By fostering strong partnerships, we enhance supply reliability and ensure the seamless availability of essential products across our outlets.

To uphold fair and transparent procurement, we maintain accountability and integrity at every stage of the sourcing process. Our procurement strategy prioritises local suppliers, strengthening domestic supply networks and supporting local businesses. In FY2024, we successfully achieved our target of maintaining a local product sourcing rate of over 90%, with 99.97% of our procurement budget allocated to local suppliers.

Procurement Budget	FY2024
Local Suppliers	99.97%
Foreign Suppliers	0.03%

A key pillar of our supplier collaboration is data-driven demand planning, which enables suppliers to anticipate needs and optimise stock levels. Through the detailed sharing of sales insights, we help suppliers maintain an inventory buffer of 10 to 20%, ensuring a seamless supply while accommodating business growth and market fluctuations.

As part of our commitment to supply chain resilience, we continue to engage with suppliers to diversify and maintain alternative sourcing options for key product categories. This approach mitigates supply risks, enhance product availability and supports business continuity.

SUSTAINABILITY STATEMENT

Cont'd

Promoting Ethical Governance and Transparency

As governance is vital to driving enduring growth and positive social and environmental impact, we prioritise integrity, transparency and ethics across our operations. By aligning our governance framework with sustainability goals and regulatory requirements, we enhance accountability, protect stakeholder interests and reinforce trust in our practices.

Strategic Thrust

Upholding Transparency and Accountability to Foster Stakeholder Trust

Material Sustainability Matters

- Regulatory Compliance
- Corporate Governance and Anti-Corruption
- Information Security and Data Protection

Key Stakeholder Groups



Contribution to the UN SDGs



SUSTAINABILITY STATEMENT

Cont'd

Regulatory Compliance

At 99 Speedmart, we uphold the highest standards of integrity, transparency and accountability in every aspect of our business operations. Our governance framework is guided by a set of comprehensive policies that emphasise ethical practices, responsible business conduct and progress. The policies serve as a foundation for decision-making, ensuring that our actions are aligned with our corporate values and stakeholder expectations.

To strengthen governance and promote responsible business practices, we have adopted the following key policies:



Conflict of Interest Policy

Provides guidance on identifying and managing conflicts of interest to maintain impartiality and fairness in business decisions.



Whistleblowing Policy

Encourages employees and stakeholders to report unethical behaviour or misconduct confidentially, ensuring protection for whistleblowers.



Anti-Bribery & Anti-Corruption Policy

Outlines our zero-tolerance approach to bribery and corruption, ensuring compliance with legal and regulatory requirements.



Privacy Policy

Safeguards customer and stakeholder data, ensuring that personal information is handled responsibly and in accordance with relevant regulations.



Code of Conduct and Business Ethics (“COBE”)

Establishes standards for ethical behaviour, ensuring that all employees act with integrity and professionalism.



Environment, Social and Governance (“ESG”) Policy

Reflects our commitment to integrating sustainability into our business operations, aligning with industry best practices in ESG performance.

Our policies are available on our Company’s website, emphasising our commitment to transparency and accessibility for stakeholders. These policies reflect our ongoing efforts to foster a culture of integrity and generate long-term value creation.

Corporate Governance and Anti-Corruption

As a leader in the mini-market chain in Malaysia, we uphold strong corporate governance and anti-corruption practices as the foundation of our ethical business conduct. Transparency, accountability and the highest standards of integrity are at the core of our operations, guiding our decision-making and ensuring long-term sustainability.

Guided by the Anti-Bribery and Anti-Corruption Policy, the Group upholds a zero-tolerance policy towards corruption in all employee conduct and business transactions. We integrate responsible business practices through well-defined processes and systems, ensuring robust governance across all levels of the organisation.

SUSTAINABILITY STATEMENT

Cont'd

The Board plays a crucial role in shaping the Group's strategic direction, aligning with the principles of the Malaysian Code of Corporate Governance ("MCCG"). The Board Charter outlines the roles and responsibilities of the Board, committees and individual directors, with regular updates to ensure compliance with evolving regulations.

Percentage of Employees Who Received Training on Anti-Corruption by Employee Category (%)	FY2024
Management	100.00%
Department Division Manager, DC Manager, Department Assistant	100.00%
Branch Manager / Executive	100.00%
Non-Executive / General Staff	100.00%

The reported percentage reflects the combined figures for FY2023 and FY2024, as anti-corruption training was extended to all employees across 99 Speedmart in FY2023. New employees are required to complete mandatory anti-corruption training as part of their onboarding process, while existing employees will undergo periodic refresher training.

This initiative ensures that employees remain well-informed about our anti-bribery and anti-corruption policy, reinforcing our commitment to ethical business practices and regulatory compliance.

Assessment and Incidents of Corruption and Whistleblowing	FY2024
Percentage of operations assessed for corruption-related risks	100.00%
Confirmed incidents of corruption and action taken	0
Confirmed incidents of whistleblowing	0

To further reinforce governance, the Legal and Compliance framework was developed to monitor and ensure adherence to laws and regulations across the Group. Additionally, the Board actively participates in training sessions to enhance its knowledge and skills, ensuring effective business oversight and governance. We remain dedicated to maintaining a diverse and inclusive Board, drawing on a wide range of expertise and experience. As of FY2024, women represented 44% of our Board members, surpassing the MCCG's recommended minimum of 30% female representation. This reflects our dedication to promoting gender diversity and strong governance practices at 99 Speedmart.

Board Diversity (%)	FY2024
Gender	
Male	55.56%
Female	44.44%
Age	
40 - 49	22.22%
50 - 59	33.34%
60 and above	44.44%

In FY2024, we strengthened corporate governance and anti-corruption measures through the development of an Enterprise Risk Management ("ERM") framework. The initiative involved collaboration between the Board, committees, internal auditor, risk managers and risk owners to oversee and implement ERM policies and practices effectively.

With this structured approach, we identified and developed mitigation strategies for 10 key risks, including changes in government policies, legal risks, supply chain disruptions, health and safety risks, cybersecurity threats and environmental hazards such as floods and fires.

SUSTAINABILITY STATEMENT

Cont'd

At 99 Speedmart, our Board is committed to continuous professional development to strengthen governance and leadership within the company. As part of this commitment, Board members have attended key programmes to enhance their knowledge and understanding of corporate governance, independent directorship and sustainability reporting.

The Bursa Securities' Mandatory Accreditation Programme ("MAP"), conducted by the Institute of Corporate Directors Malaysia, is a regulatory requirement for directors of listed companies. The MAP equips our Board with essential knowledge on corporate governance principles, listing obligations and directors' responsibilities in ensuring effective oversight and compliance. Additionally, the Board attended the 'Understanding the Challenging Role of an Independent Director' seminar, which provided valuable insights into transparency, conflict management and objective oversight—key elements in upholding good governance.

To stay ahead of evolving sustainability regulations, the Board also participated in the 'Understanding the New National Sustainability Reporting Framework' seminar. The session covered the latest sustainability disclosure requirements, strengthening our ESG reporting approach and commitment to responsible business practices. Through these programmes, our Board remains well-equipped to navigate regulatory changes, drive strategic decision-making and uphold 99 Speedmart's dedication to corporate governance and sustainability.



A total of **184** training hours have been achieved by the Board of Directors in FY2024

Information Security and Data Protection

Protecting information security and data privacy is paramount in today's digital age. We implement robust measures to safeguard our systems and customer data, ensuring that sensitive information is secure and that we comply with data protection regulations to maintain stakeholder trust.

To ensure the protection of employee and customer data, we adhere to our Privacy Policy which governs the responsible management of personal information in compliance with relevant regulations. The policy serves as the foundation for our data protection framework, ensuring confidentiality, integrity and security in all aspects of our operations.

In 2024, we further strengthened information security and data protection through digitalisation initiatives designed to enhance accuracy and efficiency. Our efforts included deploying handheld terminals for transaction collection, goods receiving, stocktaking and returns, significantly reducing manual data entry errors and improving operational reliability. Additionally, we are exploring a customised mobile application for image data capturing to further minimise manual input processes and enhance data accuracy.

Throughout the reporting year, we remained vigilant in protecting customer data and privacy. Our achievement underscores the effectiveness of stringent security measures and our ongoing efforts to uphold the highest standards of data protection across the Group.



Zero security breaches or data losses have been recorded in FY2024

SUSTAINABILITY STATEMENT

Cont'd

Advancing Environmental Responsibility and Sustainability

The Group aspires to adopt eco-friendly practices as part of our environmental stewardship, implementing proactive strategies to reduce carbon emissions, optimise resource use, enhance waste management and adopt sustainable sourcing and logistics. Our efforts align with global initiatives to achieve net-zero emissions by 2050 and support our vision of building a resilient, environmentally responsible business for a greener future.

Strategic Thrust

Pursuing Eco-Friendly Practices for Greener Growth and Resilience

Material Sustainability Matters

- Energy Management
- Emissions Management
- Waste Management
- Water Efficiency

Key Stakeholder Groups



Contribution to the UN SDGs



SUSTAINABILITY STATEMENT


Cont'd

Energy Management

Effective energy management is central to our business operations, from product storage to creating a comfortable shopping experience for customers. We continuously optimise energy use across all aspects of our business, reducing consumption and exploring renewable energy solutions to lower our environmental impact and improve overall efficiency.


Our approach to energy management is guided by operational excellence, cost efficiency and environmental stewardship. We prioritise the adoption of energy-efficient technologies, continuous monitoring and optimisation of energy consumption, and strategic investments in renewable energy to support long-term sustainability. The Group remains committed to identifying and implementing initiatives that further enhance energy efficiency and reduce costs.

Energy Efficiency Initiatives




Outlet Upgrades

- Upgraded 839 outlets with energy-efficient inverter air conditioners, while 857 outlets were fitted with glass-door display freezers to enhance cooling efficiency
- Replaced conventional lighting with LED lights, further reducing energy consumption and operational costs



Transport Efficiency

- Replaced 100 old distribution lorries with more fuel-efficient models through a one-to-one elimination process, phasing out vehicles over 10 years old to reduce environmental impact



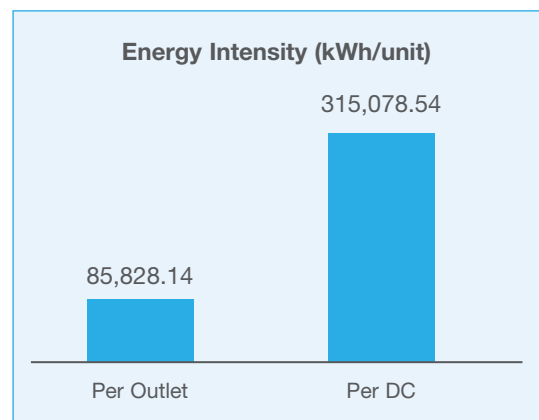
Solar Photovoltaic ("PV") Systems

- Installed solar PV systems at 65 outlets, as well as all 15 DCs in Peninsular Malaysia, achieving an average of 30% in electricity expenses

Total Energy Consumption

Our total energy consumption for FY2024 amounted to 1,076,977 GJ, with 99 Speed Mart Sdn Bhd accounting for 983,215 GJ and 99 Speed Mart (East Malaysia) Sdn Bhd consuming 93,762 GJ.

Energy	FY2024
Energy Consumption (GJ)	1,076,977.42
Energy Consumption (MWh)	299,160.39



SUSTAINABILITY STATEMENT

Cont'd

Renewable Energy

At 99 Speedmart, our solar panels generated 2,566 MWh solar powered electricity during the reporting year.

Renewable Energy	FY2024
Solar Power Generation (MWh)	2,566.42

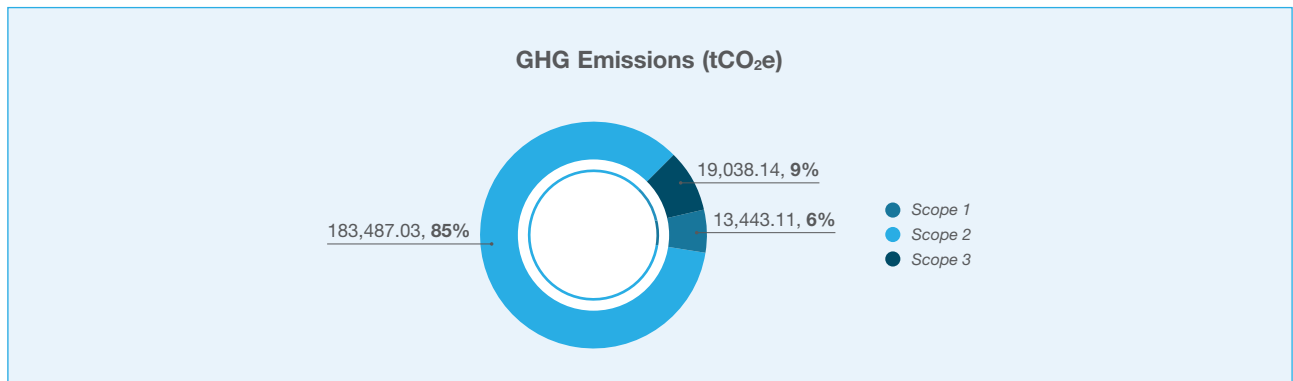
Emissions Management

The Group aims to manage and reduce our carbon footprint by optimising emissions management. To achieve this, we implement stringent emissions management practices such as monitoring and minimising greenhouse gas (“GHG”) emissions, in line with global climate goals to contribute to a greener future.

We also seek to strengthen our GHG inventory by continuously refining data collection, measurement and reporting processes. The rigorous assessment of our GHG disclosures ensures the consistency and accuracy of data in alignment with industry best practices and regulatory standards.

In 2024, we initiated reporting on our GHG emissions to ensure comprehensive disclosures. Our total emissions from Scope 1¹, Scope 2² and Scope 3³ amounted to 215,968 tCO₂e.

Total GHG Emissions	FY2024
Total GHG Emissions (tCO ₂ e)	215,968.28



Scope 1 GHG Emissions

Scope 1 GHG emissions were recorded at 13,443 tCO₂e, with 89% attributed to 99 Speed Mart Sdn Bhd, while 99 Speed Mart (East Malaysia) Sdn Bhd contributed 11%.

Scope 1 GHG Emissions	FY2024
Scope 1 GHG Emissions Generation (tCO ₂ e)	13,443.11

Note: Scope 1 GHG emissions was calculated using emission factors from the United Kingdom (“UK”) Government GHG Conversion Factors for Company Reporting 2024.

SUSTAINABILITY STATEMENT

Cont'd

Scope 2 GHG Emissions

The Group's total Scope 2 GHG emissions from purchased electricity amounted to 183,487 tCO₂e, with 99 Speed Mart Sdn Bhd contributing 94% and 99 Speed Mart (East Malaysia) Sdn Bhd accounting for 6%. The Group avoided 1,986 tCO₂e of emissions through solar power generation.

Scope 2 GHG Emissions		FY2024
Scope 2 GHG Emissions Generation (tCO ₂ e)		183,487.03
Scope 2 GHG Emissions Avoidance (tCO ₂ e)		1,986.41

Note: Scope 2 GHG emissions was calculated using the grid emission factors (2022) provided by the Energy Commission in Malaysia.

Scope 3 GHG Emissions

Scope 3 GHG emissions totalled 19,038 tCO₂e across the Group, with 96% attributed to employee commuting and approximately 4% to business land travel. GHG emissions from business air travel accounted for less than 0.3%.

Scope 3 GHG Emissions ⁴		FY2024
Scope 3 GHG Emissions Generation (tCO ₂ e)	Employee Commute	18,288.72
	Business Travel (Land)	701.53
	Business Travel (Air)	47.89
Total		19,038.14

Notes:

- Scope 1 GHG emissions are direct emissions from owned or controlled sources.
- Scope 2 GHG emissions are indirect emissions from the generation of purchased electricity.
- Scope 3 GHG emissions are indirect GHG emissions that occur in the value chain but are not directly owned or controlled by the company.
- Scope 3 GHG emissions was calculated using emission factors from the UK Government GHG Conversion Factors for Company Reporting 2024.
- The figures for employee commuting and business travel (land) are estimates extrapolated from data collected using a sampling approach.

SUSTAINABILITY STATEMENT

Cont'd

Advancing Energy Efficiency and Emission Management in 99 Speedmart

As part of our sustainability strategy, we have taken proactive steps to enhance energy efficiency and reduce emissions across our outlets. With a focus on optimising electricity consumption and integrating renewable energy solutions, we have implemented significant upgrades, resulting in substantial reductions in our carbon footprint.

A key milestone in our emissions management journey is the attainment of the GreenRE certification for several outlets. GreenRE, a leading green building certification in Malaysia, recognises excellence in environmental performance, energy efficiency and sustainable practices. The certification process involved a rigorous assessment of energy efficiency measures, renewable energy adoption and overall environmental impact. Achieving this certification underscores our commitment to reducing emissions and operating in an environmentally responsible manner.

Emission Management Initiatives

In line with our commitment to environmental responsibility, we implemented an energy management strategy at our headquarters and DCs, and progressively rolled it out across our retail network through the Sustainable Outlets Pilot Programme. Our approach includes:

1. Energy Efficiency Improvements

- Upgraded outlets with energy-efficient appliances and systems, such as the Suruhanjaya Tenaga (“ST”) 4-Star air conditioning systems, LED lighting and high-efficiency freezers and chillers with fitted doors

2. Renewable Energy Integration

- Invested in and installed on-site solar energy systems at each outlet

3. Occupant Safety and Air Quality

- Enhanced indoor air quality by investing in air circulators with ioniser technology and real-time CO₂ monitoring devices, ensuring a healthier shopping environment for customers and employees

Achievements



In recognition of our commitment to sustainability, 99 Speedmart’s headquarters and 10 retail outlets achieved GreenRE Platinum certification, while two DCs were awarded GreenRE Silver certification.

The certified outlets recorded over 30% improvement in energy efficiency, demonstrating the success of the initiative in meeting stringent criteria for energy efficiency, water conservation, indoor environmental quality as well as emission management.

Installation of Solar PV Systems



Upgrades on Energy-efficient Appliances



ST 4-Star Rated Air Conditioning

High-efficiency Freezers and Chillers with Fitted Doors

Air Curtain System

SUSTAINABILITY STATEMENT

Cont'd

Waste Management

In our environmental stewardship, we prioritise the effective management of waste. To this end, we have implemented comprehensive measures to segregate waste, adopt responsible recycling practices and promote a circular economy within our operations to reduce our environmental footprint.

Recognising the impact of waste generation, we integrate green practices such as the 3Rs (Reduce, Reuse, Recycle) and a green procurement policy to ensure that daily-use products meet environmental standards.

In 2024, we implemented several initiatives to promote eco-friendly habits among customers. Our efforts included the launch of the Bag-for-Life Reusable Bag and Plastic-Free Campaign, encouraging customers to replace single-use plastic bags with durable, reusable alternatives. The Group also implemented a high-recycling waste regime to recover valuable materials such as metals, aluminium, plastics and cardboard.

Advancing Circular Economy Through Waste Upcycling



Additionally, to enhance circular economy practices, we partnered with BioLoop, a local company specialising in Black Soldier Fly (“BSF”) technology, to upcycle expired dried waste packaging such as packaged food items. The innovative approach converts waste into valuable resources such as animal feed and organic fertilizer, reducing environmental impact and supporting responsible waste management.

SUSTAINABILITY STATEMENT

Cont'd

Total Waste Generated

In FY2024, our total waste generation was recorded at 38,424 tonnes. Of this total, 35% of waste was sent to landfills, while 65% were successfully diverted.

Waste Generation (tonnes)	FY2024
Total waste generated (tonnes)	38,424.44
Total waste directed to disposal (tonnes)	13,280.40
Total waste diverted from disposal (tonnes)	25,144.04

Note: The total waste directed to disposal is an estimated figure extrapolated from data collected through a sampling approach over a two-week period.

Breakdown of Waste Diverted from Landfill



Water Efficiency

Water is a vital resource and we prioritise its efficient use across our operations. To achieve this, we have implemented innovative solutions and conservation initiatives designed to reduce water consumption and optimise its usage, ensuring business sustainability while meeting operational needs.

During the year, the Group strengthened its water management practices by installing water meters at our outlets to effectively monitor and regulate consumption. Additionally, water efficiency management plans were introduced to ensure responsible usage and identify opportunities for further optimisation. These measures reflect our ongoing commitment to minimising our environmental impact while maintaining operational efficiency.

Water	FY2024
Total Water Consumption (Megalitres)	457.83

In FY2024, the Group’s total municipal water consumption amounted to 457.83 megalitres (“ML”), 92% utilised by 99 Speed Mart Sdn Bhd and the remaining 8% by 99 Speed Mart (East Malaysia) Sdn Bhd.

SUSTAINABILITY STATEMENT

Cont'd

Fostering Employee Well-being and Community Engagement

As a responsible corporate citizen, 99 Speedmart aspires to create lasting, positive impacts by prioritising employee well-being, workplace safety, upskilling and embracing diversity, equity and inclusion. We enrich local communities by organising various initiatives to uplift and support them, cultivating a people-centric culture that empowers growth, fairness and meaningful connections.

Strategic Thrust

Fostering Employee Well-being and Community Engagement

Material Sustainability Matters

- Customer Satisfaction
- Employee Health, Safety and Well-being
- Human Rights and Labour Practices
- Training, Education and Talent Development
- Employment
- Community Engagement
- Diversity, Equity and Inclusion (DEI)

Key Stakeholder Groups



Contribution to the UN SDGs



SUSTAINABILITY STATEMENT

Cont'd

Customer Satisfaction

As Malaysia’s leading mini-market chain, we are dedicated to meeting customer needs and expectations by providing exceptional service and quality products that enhance their shopping experience.

To continuously improve customer satisfaction, 99 Speedmart prioritises engagement and best practices across our operations. The Branch Operations department conducts regular training during Branch Manager meetings to enhance service quality and ensure effective issue resolution. In our efforts to recognise outstanding performance, the company presents the Best Area Manager/Outlet Manager Awards annually.

Additionally, customer complaints are addressed promptly through investigations, clear communication and appropriate resolutions, typically within one to three working days, depending on the issue. These efforts reflect our commitment to delivering a seamless and rewarding shopping experience for every customer.

As part of our digital transformation strategy, we introduced a customised mobile application for image data capturing, streamlining operations and enhancing data accuracy. The innovation has improved inventory management and operational efficiency, ultimately benefitting customers and outlet personnel.



Customer Satisfaction Survey FY2024

Surveys were conducted across our outlets, achieving an average of 91.17% satisfaction score. The survey assessed key aspects including outlet cleanliness, stock availability, pricing competitiveness, staff courtesy, and customers’ likelihood of recommending 99 Speedmart. Participants also provided valuable feedback on our outlets, products and services.

Employee Health, Safety and Well-being

The Group believes that a safe environment helps reduce risks, improve operational efficiency and strengthen customer trust. To achieve this, we embed strict protocols, provide regular training and uphold stringent hygiene measures to protect our workforce and ensure smooth operations. We remain committed to cultivating a safe and supportive workplace that safeguards employees’ physical and mental well-being while optimising productivity.

99 Speedmart’s Commitment to Health and Safety

The Group protects the health, safety and well-being of our workforce through the following:

- Ensuring safe equipment and work systems do not pose health risks
- Communicating health and safety practices and initiatives to employees, customers and contractors
- Providing a safe and comfortable workplace for employees
- Conducting training and awareness programmes on safety and health responsibilities
- Implementing ongoing improvements in safety and health measures through proactive initiatives

Our endeavours in health and safety are guided by a comprehensive OHS Policy, strict adherence to safety regulations and alignment with industry best practices. To safeguard employees from accidents and illnesses, we conduct regular risk assessments and hazard identification, risk assessment and risk control (“HIRARC”) while ensuring full compliance with OSH regulations.

To further strengthen workplace safety, we have established a structured incident reporting process, emergency response plans and routine safety audits to uphold safety standards across our operations. Employees at our DCs are provided with appropriate safety equipment, reflective uniforms and vests to enhance on-site safety.

Additionally, we conduct regular safety audits and inspections to uphold compliance with health and safety regulations. To promote awareness, we display safety memos at our DCs, ensuring employees and workers remain informed of proper safety protocols.

SUSTAINABILITY STATEMENT

Cont'd

99 Speedmart also provides group insurance coverage for employees, including personal accident protection. Our commitment to workplace safety enhances employee well-being and fosters a secure working environment for stakeholders.

The following table outlines key health and safety performance indicators of 99 Speedmart for FY2024:

Health and Safety Metrics	FY2024
Total number of hours worked	53,156,240
Number of lost-time injuries	6
Number of fatalities as a result of work-related injuries or ill health	0
Lost-Time Incident Rate	0.02

Note: Lost-Time Incident Rate was calculated based on 200,000 hours worked.

Safety Training

During the year, we equipped our team with the knowledge and skills to identify risks, adhere to safety protocols and maintain a safe environment across all outlets.



A total of **826** employees received health and safety training in FY2024

Health & Safety Training Programmes in FY2024	
<ul style="list-style-type: none"> • Safety and Health Officer Training • Ergonomics and Manual Handling in the Workplace • Pengenalan Pertolongan Cemas, Pengendalian AED dan CPR • Kursus Organisasi Keselamatan Kebakaran • Seminar Organisasi Keselamatan Kebakaran (“OKK”) Bagi Premis Ditetapkan • OSH Coordinator Workshop (“OSH-C”) • Optimising Workplace Safety • Ergonomics and Manual Handling Essentials 	<ul style="list-style-type: none"> • Seminar dan Majlis Pelancaran Garis Panduan Pentaksiran dan Pengurusan Risiko Psikososial Pekerjaan di Tempat Kerja 2024 • Forum Keselamatan Kebakaran Dalam Pengurusan Industri • Crash Investigation and Vehicle Forensics Course 2024 • First Aid at the Workplace • Penyelaras Keselamatan dan Kesihatan Pekerjaan • Forklift Train the Trainer Course

Human Rights and Labour Practices

We uphold the highest standards of human rights and ethical labour practices across our operations, advocating for fair treatment, respect for workers’ rights and the implementation of policies that foster a positive and inclusive work environment.

Our approach to human rights and ethical labour practices is emphasised through the Code of Conduct and Business Ethics (“COBE”) and Employee Handbook, which ensures compliance with labour rights and the protection of human rights, strictly prohibiting forced labour, child labour, discrimination and harassment.

To uphold integrity and accountability, the Group has also established a whistleblowing channel, enabling employees to report unethical practices confidentially and without fear of retaliation.

There were zero substantiated complaints concerning human rights violations in 2024.

SUSTAINABILITY STATEMENT

Cont'd


Training, Education and Talent Development

We believe in the importance of empowering our employees through continuous learning and development. With the provision of training, education and career growth opportunities, we enable our team members to reach their full potential, driving success individually and as an organisation.

The Group strives to build a resilient, agile and skilled workforce by aligning individual goals with organisational objectives. To support this, 99 Speedmart collaborates with *Universiti Kebangsaan Malaysia* (“UKM”) and the government to provide structured training programmes for employees.

Sistem Latihan Dual Nasional (“SLDN”) is a programme that supports mid-level outlet staff such as supervisors, in obtaining professional certification in retail management. With a registered training centre *Pusat Bertauliah SLDN* and certified trainers, 99 Speedmart collaborates with the government to provide practical, industry-relevant training that enhances employees’ skills and career prospects.

Key Employee Training Programmes



An education module developed in partnership with UKM, this programme equips outlet branch managers with retail management knowledge and hands-on experience. Upon completing two years of training, participants will be awarded a professional certificate from UKM, enhancing their skills and career growth.

Professional Retail Education Certificate in collaboration with UKM

In addition, employees received a range of development and upskilling programmes covering human relations, e-invoicing, leadership and Train the Trainer courses.

Key Training and Development Programmes

- Master of Corporate Communication
- Getting Ready for e-invoicing in Malaysia
- Train the Trainer Course
- MIA Webinar Series: e-invoicing Latest Updates
- Supervisory Skills – Stepping into a Leadership Role
- E-invoice Training
- GreenRE Accredited Professionals Course
- *Kursus Prosedur Pembuangan Pekerja*
- Social Media Masterclass
- *Seminar Pendidikan Majikan SPW 2024*

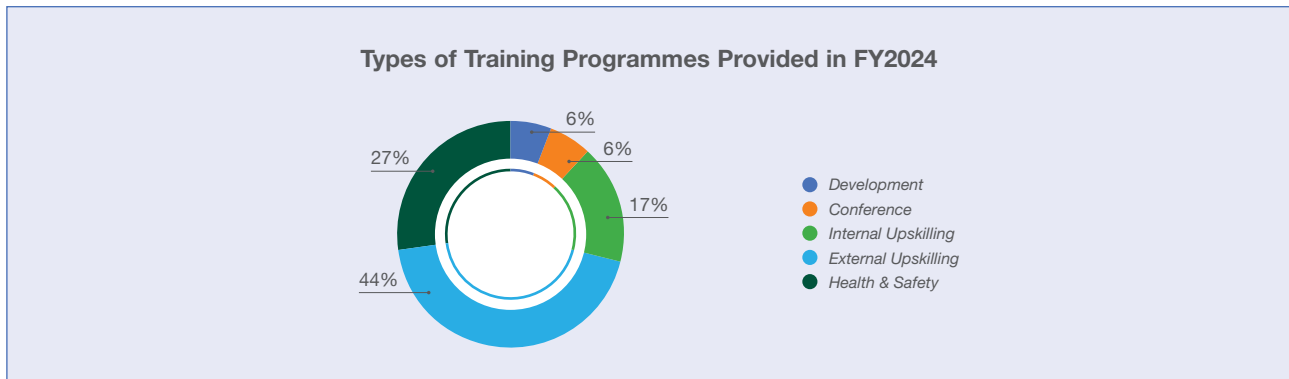
- *Seminar Percukaian Kebangsaan 2024*
- Fibre Optic Internal Cabling
- Strategy and Control for CFOs and Finance Professionals
- MIA Webinar Series: e-invoicing – Compliance During the Initial Six Months and Beyond
- *Seminar Perburuhan Rang Undang-Undang Pindaan Ordinan Buruh (Sabah Bab 67)*
- HR & IR for Beginners
- Bengkel Return to Work Coordinator (Sabah)
- Latest Updates on Labour and Industrial Relations Laws in Sabah

SUSTAINABILITY STATEMENT

Cont'd

Employee Training Hours

In 2024, we provided 83,280 hours of training to 12,864 employees to bridge skill gaps and equip them with the knowledge needed for their daily tasks.



Total Training Hours by Employee Category (hours)	FY2024
Management	388.00
Department Division Manager, DC Manager, Department Assistant, Division Assistant Manager, Area Manager, Area Trainer, DC Assistant Manager	5,006.00
Senior Executive, Executive, Junior Executive, Branch Manager, Supervisor, Assistant Branch Manager	71,096.00
Non-Executive (Clerk, Cashier, Storekeeper, DC Staff, Foreign Worker)	6,789.00
Total	83,279.00

Employee Engagement

The Group actively engages with employees to motivate and empower them, increasing productivity, performance and inspiring them to go above and beyond in their roles. Our engagement efforts also serve to retain our talent and drive a positive workplace culture where employees feel respected, supported and part of a shared vision.

During the reporting period, 99 Speedmart introduced several employee engagement initiatives to foster a supportive and dynamic work environment. These efforts ensure employees feel valued, motivated and empowered to contribute to the Group's success.

SUSTAINABILITY STATEMENT

Cont'd

Employee Engagement Programmes

Speedhunters Semi-Pro Basketball Team



Established in 2018, Speedhunters Semi-Pro Basketball Team was formed under a unique model that enables young players to develop both their sporting talent and corporate careers within 99 Speedmart. As a semi-professional team supported by one of Malaysia's largest retail chains, the initiative reflects our commitment to encouraging sports and providing employees with well-rounded growth opportunities.

- Number of staff involved in the programme: 26 active players
- Number of coaching staff: 2 coaches
- Number of events the team participated in 2024: 15 competitions

Onboarding Orientation for New Staff



An orientation to welcome new joiners to the Group. Each new employee receives a Celcom Digi SIM Card and a welcome gift.

Annual Department Dinner



Each department hosts a dinner with their respective Head of Department, providing an opportunity for colleagues to connect with their team members.

Service Awards



To recognise the dedication and contributions of long-serving employees, service awards are presented to those reaching significant milestones, including 10, 15, 20, 25 and 30 years of service.

SUSTAINABILITY STATEMENT

Cont'd

Annual Dinner

An annual dinner is held each year, with separate events organised for different groups, such as headquarters employees, DC staff and Outlet employees, based on their location.



Employment and Diversity, Equity, and Inclusion (“DEI”)

We are dedicated to fostering fair and equitable employment opportunities, building a diverse and inclusive workforce where every employee can thrive. Our recruitment practices champion diversity, creating a supportive environment that values talent from all backgrounds. Additionally, we prioritise local hiring, empowering communities by driving economic growth and providing job opportunities in the areas where we operate.

The Group’s approach to employment is guided by our Non-Discrimination Policy, Fit and Proper Policy and Sustainability Policy, ensuring fair, inclusive and sustainable workforce practices. These policies emphasise our dedication to fair hiring practices, equal opportunities and a diverse and inclusive workplace while promoting long-term sustainability in workforce management.

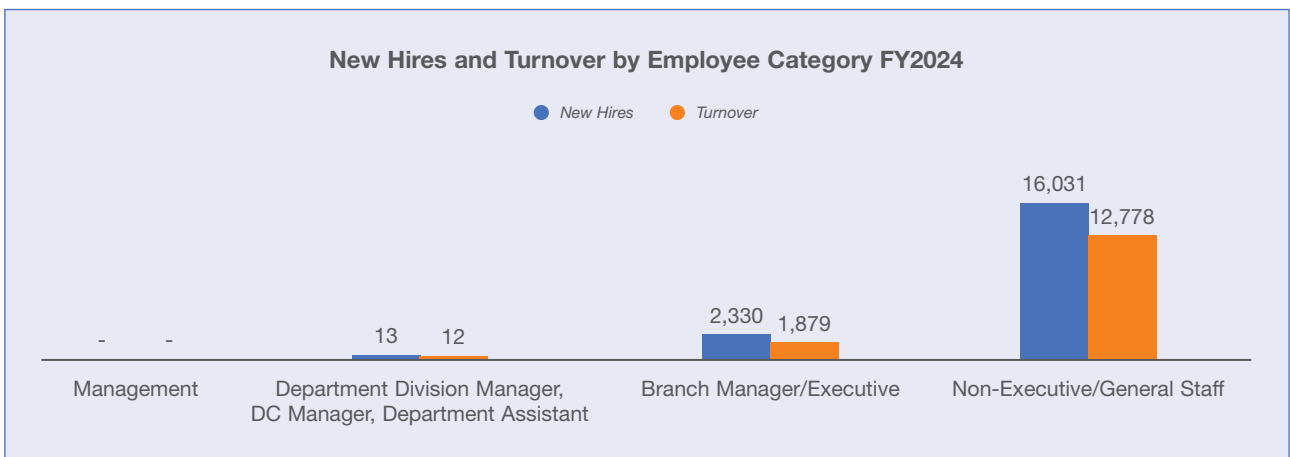
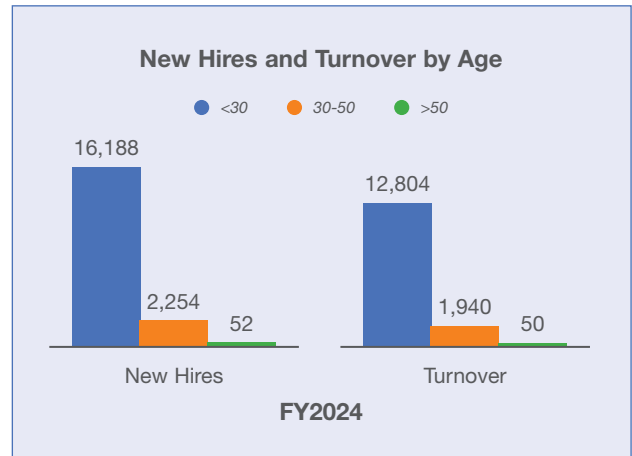
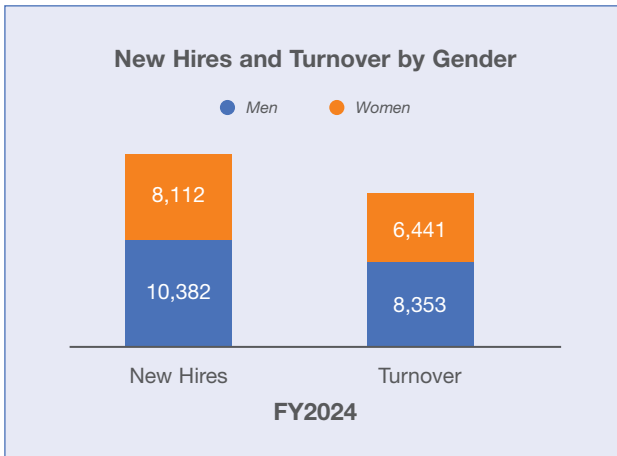
In 2024, the Group achieved a 100% local workforce across all retail outlets, highlighting efforts to support local employment. Additionally, we participated in career fairs organised by PERKESO, TALENTBANK and local universities to attract fresh graduates and individuals from underrepresented groups, including women and persons with disabilities (“PwDs”).

SUSTAINABILITY STATEMENT

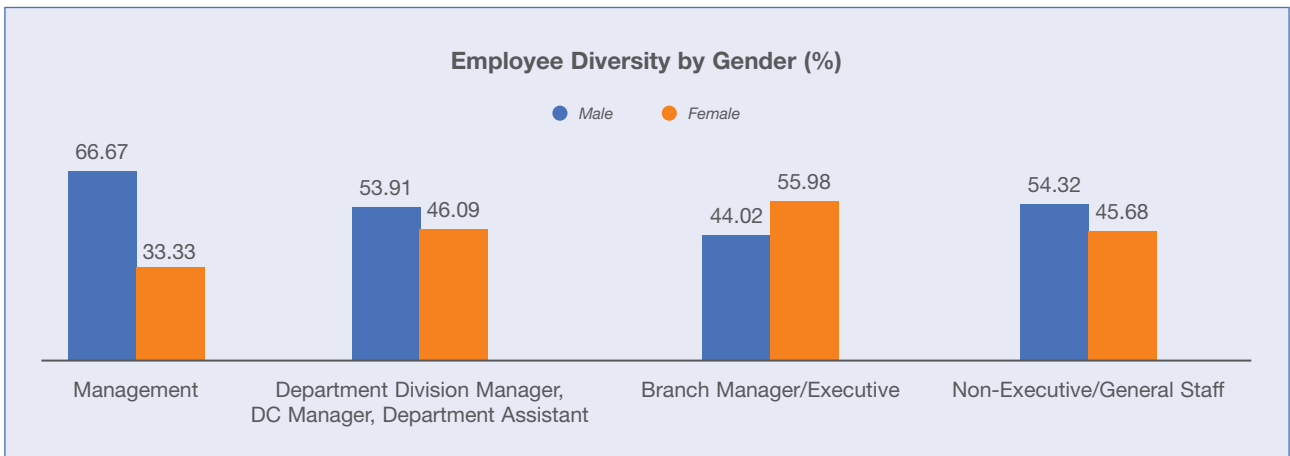
Cont'd

New Hires and Turnover (by Gender and Age)

During the reporting year, we recruited 18,494 employees, primarily for non-executive roles across the Group.



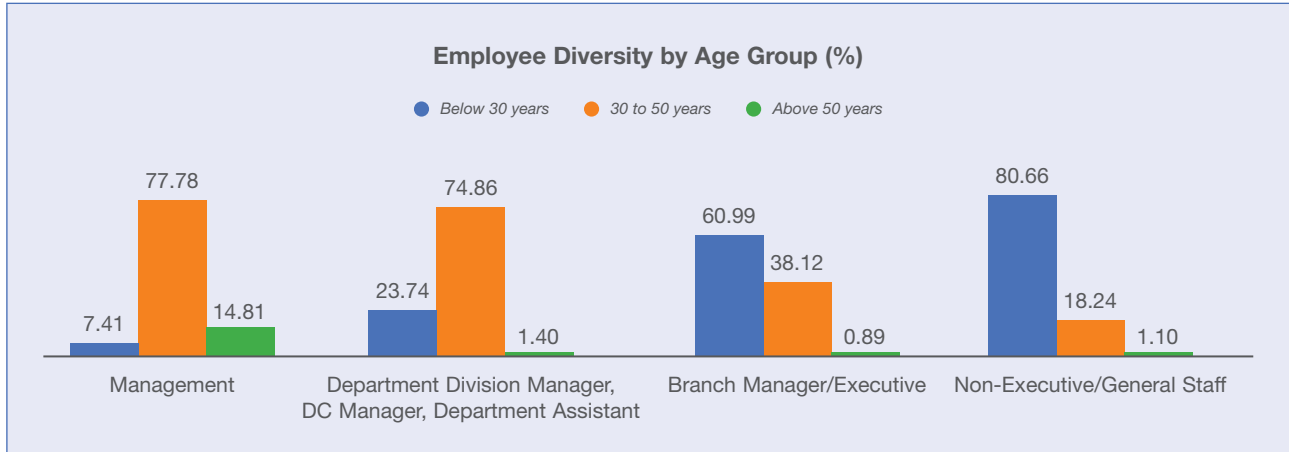
Employee Diversity (by Employee Category and Gender)



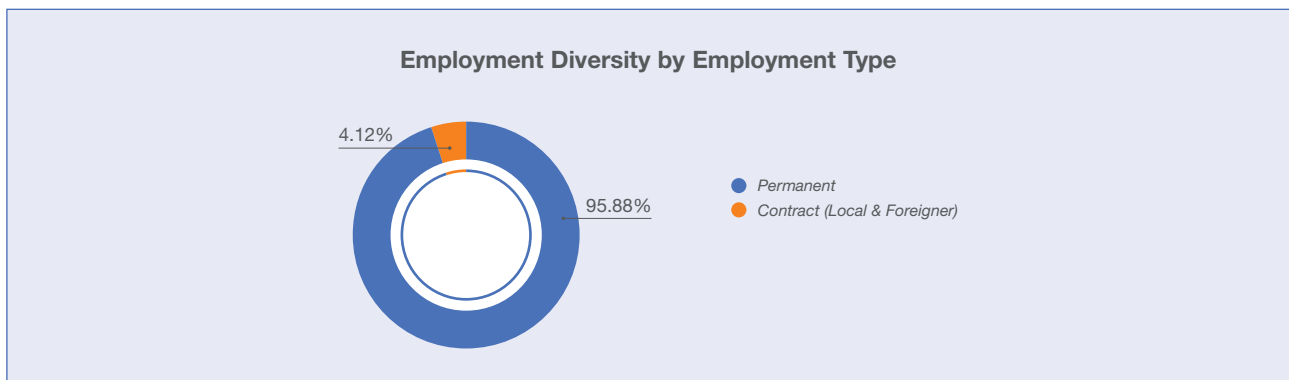
SUSTAINABILITY STATEMENT

Cont'd

Employee Diversity (by Age Group)



Employee Diversity (by Employment Type)



Community Engagement

The Group seeks to cultivate strong community connections by championing local initiatives and social welfare programmes. We organised various outreach efforts to actively enhance community well-being, ensuring that our growth translates into meaningful and lasting benefits for the people we serve.

Throughout the year, 99 Speedmart enriched lives across Malaysia through various initiatives, including providing aid to flood victims, supporting homes and orphanages, assisting underserved communities during festive seasons and participating in community programmes. In total, we allocated approximately RM5.33 million towards these efforts, benefitting 44,755 individuals and 45 organisations through 196 events and programmes.

SUSTAINABILITY STATEMENT

Cont'd



In addition to our CSR programmes, we introduced a Group-wide internship initiative to offer valuable opportunities for students interested in the retail industry. In 2024, we welcomed 47 interns to 99 Speedmart, equipping them with practical experience and industry insights.

SUSTAINABILITY STATEMENT

Cont'd

Stepping Forward in Sustainability

99 Speedmart is steadfast in our commitment to embedding sustainability at the heart of our operations. Reflecting on our journey thus far, we recognise that this is only the beginning, with responsible growth guiding our continued efforts. As we lay the groundwork for environmental stewardship, community engagement and ethical practices, we are creating long-term value that benefits our business, stakeholders and the communities we serve.

We view sustainability as a dynamic and continuous process, focused on constant improvement, innovation and adaptation to meet the ever-evolving needs of society and the planet. Looking ahead, 99 Speedmart will prioritise responsible practices, foster resilience and drive transformative change. Together, we aim to build a better future and leave a lasting legacy for generations to come.

SUSTAINABILITY STATEMENT

Cont'd

Performance Data Table

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Department Division Manager / DC Manager / Department Assistant	Percentage	100.00
Branch Manager / Executive	Percentage	100.00
General Workers	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
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	5,334,634.88
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	44,847
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	7.41
Management Between 30-50	Percentage	77.78
Management Above 50	Percentage	14.81
Department Division Manager / DC Manager / Department Assistant Under 30	Percentage	23.74
Department Division Manager / DC Manager / Department Assistant Between 30-50	Percentage	74.86
Department Division Manager / DC Manager / Department Assistant Above 50	Percentage	1.40
Branch Manager / Executive Under 30	Percentage	60.99
Branch Manager / Executive Between 30-50	Percentage	38.12
Branch Manager / Executive Above 50	Percentage	0.89
Non-Executive / General Staff Under 30	Percentage	80.66
Non-Executive / General Staff Between 30-50	Percentage	18.24
Non-Executive / General Staff Above 50	Percentage	1.10
Gender Group by Employee Category		
Management Male	Percentage	66.67
Management Female	Percentage	33.33
Department Division Manager / DC Manager / Department Assistant Male	Percentage	53.91
Department Division Manager / DC Manager / Department Assistant Female	Percentage	46.09
Branch Manager / Executive Male	Percentage	44.02
Branch Manager / Executive Female	Percentage	55.98
Non-Executive / General Staff Male	Percentage	54.32
Non-Executive / General Staff Female	Percentage	45.68
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	55.56
Female	Percentage	44.44
40-49	Percentage	22.22
50-59	Percentage	33.34
Above 60	Percentage	44.44

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT

Cont'd

Indicator	Measurement Unit	2024
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	299,160.39
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.02
Bursa C5(c) Number of employees trained on health and safety standards	Number	826
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	388
Department Division Manager / DC Manager / Department Assistant / Division Assistant Manager / Area Manager / Area Trainer / DC Assistant Manager	Hours	5,006
Senior Executive / Executive / Junior Executive / Branch Manager / Supervisor / Assistant Branch Manager	Hours	71,096
General Workers	Hours	6,789
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	4.12
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	0
Department Division Manager / DC Manager / Department Assistant	Number	12
Branch Manager / Executive	Number	1,879
General Workers	Number	12,778
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	99.97
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	457.830000

Internal assurance External assurance No assurance

(*)Restated

SUSTAINABILITY STATEMENT

Cont'd

Indicator	Measurement Unit	2024
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	38,424.44
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	25,144.04
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	13,280.40
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	13,443.11
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	183,487.03
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	19,038.14
Product Quality & Customer Health and Safety		
Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Percentage	100.00
Total number of incidents of non-compliance with regulations or voluntary codes concerning the health & safety impacts of products and services within the reporting period	Number	0
Number of recalls issued, and total units recalled for health and safety reasons	Number	0

Internal assurance External assurance No assurance

(*)Restated

SUSTAINABILITY STATEMENT

Cont'd

GRI Content Index

Statement of use	99 Speed Mart Retail Holdings Berhad has reported the information cited in this GRI content index for the period 1 January 2024 until 31 December 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location (Page)
GRI 2: General Disclosures 2021	2-1 Organisational details	57
	2-2 Entities included in the organisation's sustainability reporting	57
	2-3 Reporting period, frequency and contact point	57
	2-6 Activities, value chain and other business relationships	57
	2-7 Employees	91 - 95
	2-9 Governance structure and composition	61
	2-11 Chair of the highest governance body	61
	2-12 Role of the highest governance body in overseeing the management of impacts	61
	2-13 Delegation of responsibility for managing impacts	61
	2-14 Role of the highest governance body in sustainability reporting	61
	2-23 Policy commitments	60
	2-24 Embedding policy commitments	60, 77
	2-26 Mechanisms for seeking advice and raising concerns	77
	2-27 Compliance with laws and regulations	77 - 79
2-29 Approach to stakeholder engagement	64 - 65	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	66
	3-2 List of material topics	66
GRI 204: Procurement Practices 2016	3-3 Management of material topic	75
	204-1 Proportion of spending on local suppliers	75
GRI 205: Anti-corruption 2016	3-3 Management of material topic	77 - 78
	205-1 Operations assessed for risks related to corruption	78
	205-2 Communication and training about anti-corruption policies and procedures	78
	205-3 Confirmed incidents of corruption and actions taken	78
GRI 302: Energy 2016	3-3 Management of material topic	81 - 82
	302-1 Energy consumption within the organisation	81 - 82
	302-4 Reduction of energy consumption	81 - 82
GRI 303: Water and Effluents 2018	3-3 Management of material topic	86
	303-2 Management of water discharge-related impacts	86
	303-5 Water consumption	86
GRI 305: Emissions 2016	3-3 Management of material topic	82 - 84
	305-1 Direct (Scope 1) GHG emissions	82 - 84
	305-2 Energy indirect (Scope 2) GHG emissions	82 - 84
	305-5 Reduction of GHG emissions	82 - 84

SUSTAINABILITY STATEMENT

Cont'd

GRI Standard	Disclosure	Location (Page)
GRI 306: Waste 2020	3-3 Management of material topic	85 - 86
	306-2 Management of significant waste-related impacts	85 - 86
	306-3 Waste generated	85 - 86
	306-4 Waste diverted from disposal	85 - 86
	306-5 Waste directed to disposal	85 - 86
GRI 401: Employment 2016	3-3 Management of material topic	93 - 94
	401-1 New employee hires and employee turnover	93 - 94
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topic	88 - 89
	403-1 Occupational health and safety management system	88 - 89
	403-2 Hazard identification, risk assessment, and incident investigation	88 - 89
	403-5 Worker training on occupational health and safety	88 - 89
	403-9 Work-related injuries	88 - 89
GRI 404: Training and Education 2016	3-3 Management of material topic	90 - 91
	404-2 Programmes for upgrading employee skills and transition assistance programmes	90 - 91
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topic	93 - 95
	405-1 Diversity of governance bodies and employees	79, 93 - 95
GRI 406: Non-discrimination 2016	3-3 Management of material topic	89, 93
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topic	89
GRI 413: Local Communities 2016	3-3 Management of material topic	95 - 96
	413-1 Operations with local community engagement, impact assessments, and development programmes	95 - 96
GRI 416: Customer Health and Safety 2016	3-3 Management of material topic	75
	416-1 Assessment of the health and safety impacts of product and service categories	75
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	75
GRI 418: Customer Privacy 2016	3-3 Management of material topic	79
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	79

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

The Board of Directors (“**the Board**”) of 99 Speed Mart Retail Holdings Berhad (“**99 Holdings**” or “**the Company**”) are committed to achieving and sustaining a high standard of corporate governance within 99 Holdings and its subsidiaries (“**the Group**”) with the ultimate objective of enhancing business integrity, accountability and transparency while maintaining effective oversight of management, investors’ confidence as well as delivering long-term shareholder value while taking into account the interest of other stakeholders.

Although the Company was listed on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) on 9 September 2024 (“**Listing**”), the Board nevertheless wishes to present to its shareholders and stakeholders this Corporate Governance Overview Statement (“**CGOS**”) with an overview of the Company’s corporate governance practices during the financial year under review with reference to the following three (3) key principles outlined in the Malaysian Code on Corporate Governance 2021 (“**MCCG**”):-

<p>Principle A</p> <p>Board Leadership & Effectiveness</p>	<p>Principle B</p> <p>Effective Audit & Risk Management</p>	<p>Principle C</p> <p>Integrity in Corporate Reporting & Meaningful Relationship with Stakeholders</p>
---	--	---

This statement is prepared in compliance with Paragraph 15.25 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Securities and it is to be read together with the Corporate Governance Report (“**CG Report**”) which is made available on the Company’s website at www.99speedmart.com.my as well as via an announcement on the website of Bursa Securities. The CG Report provides the detailed explanation of the Company’s application of the practices as set out in the MCCG during the financial year under review.

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS

Part I: Board Responsibilities

1. Roles and responsibilities

The Board is accountable to the shareholders and holds ultimate responsibility for overseeing the Group’s performance and affairs. Significantly, the Board also ensures that the business objectives of the Group are aligned with the expectations of the shareholders with a view of enhancing long-term shareholders’ value whilst considering the interests of other stakeholders.

Additionally, the Board is responsible for ensuring that the Group’s operations are effectively managed in a manner that is aligned with these business objectives, complies with regulatory and ethical standards and upholds high standards of transparency, accountability and governance.

The Directors are cognizant of their duty to act in good faith, exercise reasonable care, skill and diligence and act in the best interests of the Group and its stakeholders. In carrying out its duties, the Board adheres to the Board Charter and Limits of Authority Manual which outlines the duties and responsibilities of the Board, as well as matters that the Board may delegate to the Board Committees, the Chief Executive Officer (“**CEO**”) and the Management. The Board Charter provides a framework for effective leadership through management oversight, performance monitoring and the enforcement of internal controls, risk management, policies and governance to ensure the Group’s long-term sustainability.

The roles and responsibilities of the Board are set out in the Board Charter, which is available on the Company’s website at www.99speedmart.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part I: Board Responsibilities *cont'd*

2. Separation of positions of the Chairman and Chief Executive Officer

There is a clear division of responsibilities between the Chairman and CEO cum Executive Director for ensuring there is a balance of power and authority to promote accountability and unfettered powers in decision making in the Company.

The Board is led by a Non-Independent Non-Executive Chairman, Dato' Chua Tia Guan. He is responsible for the effective functioning of the Board and implementation of the Board's policies and decisions. Whilst, the CEO cum Executive Director, Mr Lee Thiam Wah is responsible to ensure the effective implementation of the Group's business plan and policies established by the Board as well as to manage the daily conduct of the business and affairs to ensure its smooth operation.

The separation of the roles of the Chairman and CEO ensures a balance of power and authority such that considerable concentration of power does not lie with any one (1) individual. The details of the responsibilities of the Chairman and CEO are clearly set out in the Board Charter.

The Board maintains the perspective that that the Chairman should not be involved in any Board Committees to preserve checks and balances and maintain objectivity. The Chairman's participation in Board Committees could lead to potential conflicts of interest, including the risk of self-review, which may compromise the Chairman's objectivity. As such, the Chairman of the Board does not serve as a member of any Board Committee, in accordance with the MCCG.

3. Supply of and Access to Information

All Directors have full and unrestricted access to all information within the Group whether as a full board or in their individual capacity, in furtherance of their duties and responsibilities as Directors of the Company.

The Board or in their individual capacity, in furtherance of their duties, shall be able to obtain independent professional or other advice at the Company's expenses through an agreed procedure laid down formally.

The Board meets on a scheduled basis, at least four (4) times a year to oversee and monitor the development of the Group. Additional meetings will be held on ad-hoc basis to deliberate on matters requiring its immediate attention. Meeting materials are uploaded electronically into a digital platform prior to the meetings, which allows Board papers and other information to be securely and remotely accessible by all Directors in a timely manner.

Key Senior Management ("KSM") may be invited to attend the Board meetings to present and provide detailed presentation and clarification on relevant agenda items to enable the Board to arrive at a decision.

4. Sustainability Management

The Board together with the Management fully acknowledge its collective responsibility to promote and integrate sustainability cross a broad spectrum of critical areas. This includes ensuring the well-being of employees and stakeholders through robust health and safety practices, minimising the Group's environmental impact and upholding high standards of social responsibility and governance. By prioritising these areas, the Board and the Management strive to create long-term value while ensuring the sustainable growth and ethical integrity of the Company. Further information on the Company's approach towards sustainability is provided in the Sustainability Statement from page 54 to page 102 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part I: Board Responsibilities *cont'd*

5. Company Secretaries

The Board is supported by two (2) suitably qualified, competent and capable Company Secretaries who play a vital role in advising the Board on matters relating to the Company's Constitution, Board policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations to ensure the Board effectively applies corporate governance practices in alignment with stakeholders' expectations. 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 also regularly updated and kept informed of the latest developments in the legislation and regulatory framework affecting the Group and advised on the proposed contents and timing of material announcements to be made to regulatory authorities.

The Company Secretaries attended all Board and Board Committee meetings and are responsible for ensuring the meeting procedures are followed including disseminating complete and accurate meeting materials in a timely manner to allow Board members to have sufficient time to review the relevant documents prior to meetings. The Company Secretaries also facilitate the communication of key decisions and policies between the Board, Board Committees and Management.

The information of the Company Secretaries' qualification can be found in Corporate Information of this Annual Report.

6. Board Charter

The Board Charter is a primary document, which serves as a structured guide on matters pertaining to the Board's operations, taking into consideration all applicable laws, rules and regulations as well as best practises. The Board Charter is designed to provide guidance and clarity to both Directors and Management regarding the roles of the Boards and its Board Committees, the requirements of Directors in fulfilling their stewardship role and the Board's operating practices. It also serves as a reference for Board activities.

The Board will review and update the Board Charter from time to time to reflect the changes to the Company's policies and procedures to ensure the Board Charter remains consistent with the Board's objectives, current laws and practices. The Board Charter was adopted on 15 February 2024 and is available on the Company's website at www.99speedmart.com.my.

The Board has also put in place the following policies:

Code of Conduct and Business Ethics

The Group had developed a Code of Conduct and Business Ethics for all the Directors and employees to ensure that the Directors, employees and business partners adhere to the Group's commitment to the highest ethical standards and law in day-to-day business operation. The Code of Conduct and Business Ethics is available on the Company's website at www.99speedmart.com.my.

Whistleblowing Policy

Whistleblowing Policy was established during the year and is administered by Audit Committee ("AC"). The Group undertakes to provide an avenue for both internal and external parties including employees, business associates or members of public to voice their grievances and raise their concerns of any unlawful, unethical situation or suspected misconduct directly to the AC, on a dedicated channel of reporting as set out in the Whistleblowing Policy.

The Company's Whistleblowing Policy which can be viewed in detail at the Company's website at www.99speedmart.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part I: Board Responsibilities *cont'd*

6. Board Charter *cont'd*

Anti-Bribery & Anti-Corruption Policy (“ABAC Policy”)

In compliance with the Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (“**MACCA**”) and guided by the principles of the Ministerial Guidelines on Adequate Procedures pursuant to Section 17A(5) of the MACCA and Paragraph 15.29 of the MMLR of Bursa Securities in relation to anti-bribery, the Board had adopted an ABAC Policy as a guideline to all the Directors, employees and business associates of the Group in relation to the Group’s core values and expectations, as well as policies and procedures in dealing with bribery and corruption matters, which is available on the Company’s website at www.99speedmart.com.my.

The Board has adopted a zero-tolerance approach against all form of bribery and corruption and takes a strong stance against such acts.

Fit and Proper Policy

In complying with Paragraph 15.01A of the MMLR of Bursa Securities, the Board has adopted a Directors’ Fit and Proper Policy which sets out the approach, guidelines and procedures to ensure that a formal, rigorous and transparent process is adhered to for the appointment and re-election of the Directors of the Group. The said policy is available on the Company’s website at www.99speedmart.com.my.

Part II: Board Composition

1. Board Size, Composition and Diversity

During the financial year under review, the Board consists of nine (9) members comprising one (1) Non-Independent Non-Executive Chairman, two (2) Executive Directors, one (1) Non-Independent Non-Executive Director, one (1) Senior Independent Non-Executive Director and four (4) Independent Non-Executive Directors, along with two (2) Alternate Directors to Executive Directors, as follows:

Name	Designation and Directorate	Gender
Dato’ Chua Tia Guan	Non-Independent Non-Executive Chairman	Male
Lee Thiam Wah	Executive Director and CEO	Male
Ng Lee Tieng	Non-Independent Non-Executive Director	Female
Lee Lay Liang	Executive Director	Female
Ho Tat Heng*	Senior Independent Non-Executive Director	Male
Nirmalah A/P V.Thurai*	Independent Non-Executive Director	Female
Serina Binti Abdul Samad*	Independent Non-Executive Director	Female
Dato’ Abdul Latif Bin Abu Seman*	Independent Non-Executive Director	Male
Ting Seng Hook @ Ting Seng Hee**	Independent Non-Executive Director	Male
Lee Yan Zhong	Alternate Director to Lee Thiam Wah	Male
Leong Sau Chan	Alternate Director to Lee Lay Liang	Female

* Appointed as Directors on 8 January 2024.

** Appointed as Director on 14 March 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

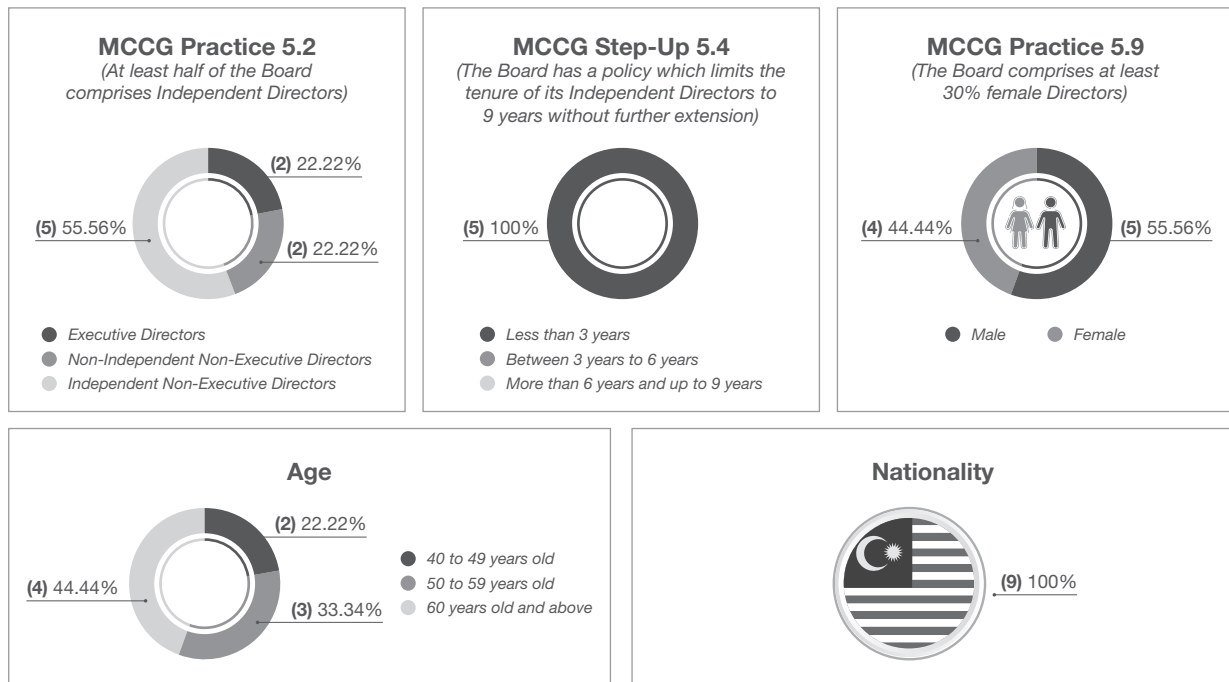
PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II: Board Composition *cont'd*

1. Board Size, Composition and Diversity *cont'd*

The composition of the Board complies with Paragraph 15.02(1) of the MMLR of Bursa Securities, which requires at least two (2) directors or one-third (1/3) of the Board, whichever is higher, to be independent. The Board is therefore of the opinion that the interests of shareholders of the Company are fairly represented through the current composition of the Board and its size constitutes an effective Board to the Company. The wide spectrum of knowledge, skills and experience of the Board members strengthen the leadership which is necessary for the stewardship of the Group. The profiles of each Director are presented from page 7 to page 17 of this Annual Report.

The summary of the Board composition as of 31 December 2024 is set out as below:-



The Board acknowledges the importance of board diversity and has adopted a Diversity Policy that outlines its commitment to fostering diversity in the composition of both the Board and senior management. The Company recognises that a diverse Board and senior management shall possess a balance of experience, cultural backgrounds, age, gender, perspectives, competencies, knowledge and skills.

The Board embraces that a wide range of perspectives is critical to effective corporate governance and strategic decision-making in the fast-changing business environment. The Board is also committed to supporting the work of the Group to look for new and innovative ways to promote a diverse and inclusive workforce at every level of the organisation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II: Board Composition *cont'd*

2. Independent Non-Executive Directors

The Board recognises the importance of maintaining independence and objectivity in the decision-making process. The Independent Non-Executive Directors are independent from management and are free from any business or other relationship with the Company that could potentially influence or compromise the exercise of their independent judgement. This independence plays a vital role in providing effective checks and balances in the Board's operations, ensuring that all matters are evaluated with fairness, balance and impartiality, ultimately safeguarding the long-term interests of the Company.

The presence of Independent Non-Executive Directors safeguards the interest of the stakeholders in ensuring that the highest standard of conduct and integrity are maintained. Their role is to ensure that any decision of the Board is deliberated fully and objectively with regards to the long-term interest of all stakeholders.

During the financial year under review, the Board via the Nomination and Remuneration Committee ("**NRC**") assessed the independence of its Independent Non-Executive Directors and reaffirmed their independence in accordance with the criteria of Independent Non-Executive Directors as provided in the MMLR of Bursa Securities.

As the Company was newly listed, none of the Independent Non-Executive Directors had served the Company for a cumulative term of nine (9) years. Notwithstanding that, the Board acknowledges the recommendation of the MCGG and the same as stated in the Board Charter that the tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years tenure, the Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director.

The Board recognises the importance of having a Senior Independent Non-Executive Director to serve as a sounding board for the Chair and as an effective conduit for other Independent Directors to voice their concern. Hence, the Board has identified Mr Ho Tat Heng, who is also the Chairman of the AC as the Senior Independent Non-Executive Director of the Company. His duties would typically include the following:-

- (a) Act as a sound board of the Chairman;
- (b) Ensure all Independent Directors have an opportunity to provide input on the agenda and advise the Chairman on the quality, quantity and timeliness of the information submitted by the Management that is necessary or appropriate for the Independent Directors to perform their duties effectively;
- (c) Consult the Chairman regarding board meeting schedules to ensure the Independent Directors can perform their duties responsibly and with sufficient time for discussion of all agenda items;
- (d) Serve as the principal conduit between the Independent Directors and the Chairman on sensitive issues; and
- (e) Serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through the normal channels of contact with the Chairman or CEO.

3. Election and Re-election

The appointment of any additional Director is made as deemed necessary by the existing Board upon recommendation from the NRC with due consideration given to the mix of expertise, experience, character, integrity and knowledge necessary to ensure the Board's effectiveness.

In accordance with the Company's Constitution, all Directors who are appointed by the Board are subject to re-election by the shareholders at the next Annual General Meeting ("**AGM**") subsequent to their appointment. At least one third (1/3) of the Directors are required to retire from office by rotation annually and subject to re-election at each AGM. All Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. Proposals for the re-election of Directors are recommended by the NRC to the Board prior to the shareholders' approval at the AGM of the Company, based on the annual assessment conducted.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II: Board Composition *cont'd*

3. Election and Re-election *cont'd*

At the forthcoming Second AGM, Dato' Chua Tia Guan, Mr Lee Thiam Wah and Ms Ng Lee Tieng (“**Retiring Directors**”) shall retire from office and eligible for re-election pursuant to the Clause 100 of Company's Constitution. Based on the recent annual assessment including fit and proper evaluations, the NRC is satisfied with the performance of the Retiring Directors who are standing for re-election and has recommended to the Board their proposed re-election in accordance with the Clause 100 of the Company's Constitution. The Board supported the NRC's recommendations to re-elect the eligible Retiring Directors standing for re-election at the forthcoming Second AGM of the Company. The Retiring Directors who are retiring shall abstain from deliberations and decisions on their own eligibility to stand for re-election at the meetings of the Board. Their profiles are set out in the section on Directors' Profile from page 7 to page 17 of this Annual Report.

4. Directors' Commitment

The Directors are to devote sufficient time and effort to carry out their responsibilities. In accordance with the Board Charter, it is the duty for the Directors to notify the Chairman before accepting any new directorships, which may give rise to potential conflict of interest notwithstanding that the MMLR of Bursa Securities allow a Director to sit on the board of five (5) listed issuers.

The Board endeavours to meet at quarterly intervals which are scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedule for the year. The Board is satisfied with the level of commitment demonstrated by the Directors in fulfilling their roles and responsibilities, as all Directors attended every Board meeting held during the financial year under review since the date of their appointment. Additional meetings are convened as necessary to address urgent and important matters that require immediate attention and approval from the Board.

All pertinent issues discussed at the Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries.

The Board met four (4) times during the financial year under review. Among four (4) Board meetings, three (3) meetings were conducted before the Company was listed on the Main Market of Bursa Securities on 9 September 2024. Details of the Board members' attendance at the Board meetings for the financial year under review are as follows:-

Director	Designation	Total	Percentage (%)
Dato' Chua Tia Guan	Non-Independent Non-Executive Chairman	4/4	100
Lee Thiam Wah (Alternate Director: Lee Yan Zhong)	Executive Director and CEO	4/4	100
Ho Tat Heng	Senior Independent Non-Executive Director	4/4	100
Ng Lee Tieng	Non-Independent Non-Executive Director	4/4	100
Lee Lay Liang (Alternate Director: Leong Sau Chan)	Executive Director	4/4	100
Nirmalah A/P V.Thurai	Independent Non-Executive Director	4/4	100
Serina Binti Abdul Samad	Independent Non-Executive Director	4/4	100
Dato' Abdul Latif Bin Abu Seman	Independent Non-Executive Director	4/4	100
Ting Seng Hook @ Ting Seng Hee*	Independent Non-Executive Director	3/3	100

* Mr Ting Seng Hook @ Ting Seng Hee was appointed on 14 March 2024. He attended all of the three (3) Board meetings held in the financial year ended 31 December 2024 since the date of his appointment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II: Board Composition *cont'd*

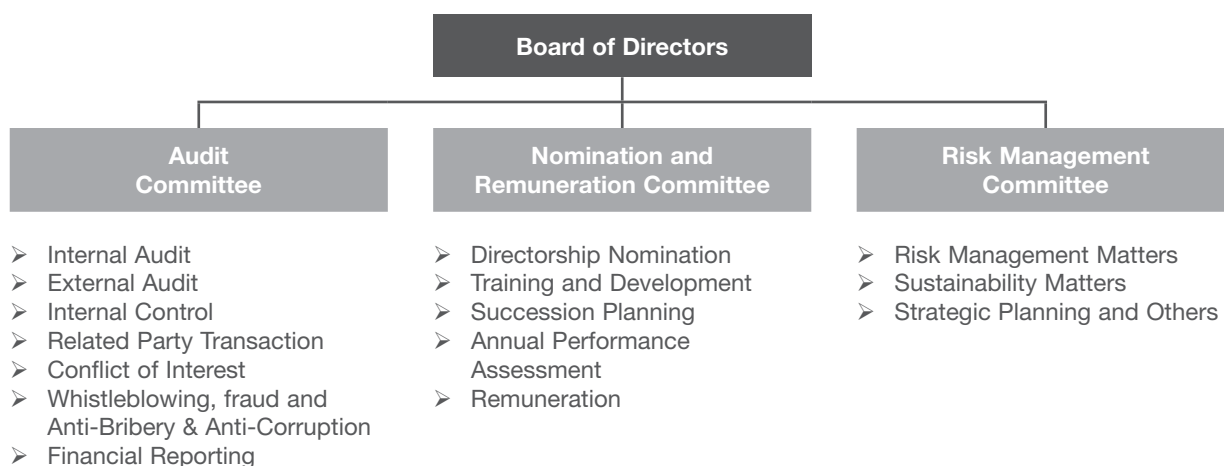
4. Directors' Commitment *cont'd*

Aside from Board Meetings, any businesses or urgent matters may also be decided via a directors' resolution in writing to ease the decision-making process.

Overall, the Board is satisfied with the level of time commitment given by the Directors towards fulfilling their duties and responsibilities. This is evidenced by the attendance record of the Directors as set out herein above.

5. Board Committees

In order to ensure that the Board responsibilities are effectively discharged, the Board delegates certain functions to the following Board Committees to support and assist in discharging fiduciary duties and responsibilities:-



The respective Board Committees with responsibilities guided by their respective Terms of Reference which are periodically reviewed by the Board and the Board appoints the Chairman and members of each Committee. The Terms of Reference of the respective Board Committees which is available on the Company's website at www.99speedmart.com.my.

In line with Practice 1.4 of the MCCG, the Chairman of the Board, namely Dato' Chua Tia Guan is not a member of the AC and NRC.

Each of the Chairmen of the Board Committees reports to the Board on matters considered and their recommendations thereon. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

a. Audit Committee

AC was formed by the Board on 15 February 2024. The details of the AC are set out in AC Report from page 129 to page 132 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II: Board Composition *cont'd*

5. Board Committees *cont'd*

b. Nomination and Remuneration Committee

The NRC was established by the Board on 15 February 2024. The NRC currently consists of three (3) members, exclusively Independent Non-Executive Directors as follows:-

Name of Members	Designation
Nirmalah A/P V.Thurai	Chairperson, Independent Non-Executive Director
Dato' Abdul Latif Bin Abu Seman	Independent Non-Executive Director
Ting Seng Hook @ Ting Seng Hee	Independent Non-Executive Director

The NRC shall meet at least once a year or as and when circumstances dictate. For the financial year under review, the NRC did not have any meetings as the Company was listed on Main Market of Bursa Securities on 9 September 2024.

The authorities, functions and responsibilities of the NRC are set out in its Terms of Reference, which is available on the Company's website at www.99speedmart.com.my.

c. Risk Management Committee

The Risk Management Committee ("**RMC**") was established by the Board on 15 February 2024. The RMC currently consists of four (4) members, the majority of whom are Independent Non-Executive Directors as follows:-

Name of Members	Designation
Serina Binti Abdul Samad	Chairperson, Independent Non-Executive Director
Lee Thiam Wah	Executive Director and CEO
Nirmalah A/P V.Thurai	Independent Non-Executive Director
Ting Seng Hook @ Ting Seng Hee	Independent Non-Executive Director

The RMC met two (2) times during the financial year under review and all members registered full attendance.

The authorities, functions and responsibilities of the RMC are set out in its Terms of Reference, which is available on the Company's website at www.99speedmart.com.my.

6. Continuing Education and Development

In addition to the Mandatory Accreditation Programme (MAP) as required by Bursa Securities, the NRC and Directors will identify and participate appropriate seminars, conferences and courses to keep abreast of changes in market, legislations and regulations affecting the Group. The Directors are also committed to undertaking additional relevant training programmes and seminars, whether in-house or external, to stay updated on developments in the business environment and to further enhance their skills and knowledge in fulfilling their responsibilities.

The Board through the NRC had conducted a comprehensive assessment of each Director's training needs via its board evaluation assessment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II: Board Composition *cont'd*

6. Continuing Education and Development *cont'd*

During the financial year under review, the Directors have attended various training and development programmes to keep abreast of changes in law, regulations, the business environment, risk management practices, general economic and industry developments. The training and development programmes participated by each of the Directors are set out as follows:-

Directors	Trainings/Seminars Attended	Organiser	Date
Dato' Chua Tia Guan	Corporate Training on Environmental, Social and Governance ("ESG") for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia Sdn Bhd (Formerly known as Tricor Axcelasia Sdn Bhd) ("Axcelasia")	29 Mar 2024
	Mandatory Accreditation Programme (MAP) Part I	Institute of Corporate Directors Malaysia ("ICDM")	29 & 30 Apr 2024
	Hasil-CTIM Tax Forum 2024	Chartered Tax Institute of Malaysia ("CTIM")	8 May 2024
	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCGG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom Corporate Services Sdn Bhd ("Boardroom")	28 Jun 2024
	National Tax Conference 2024	CTIM & Lembaga Hasil Dalam Negri Malaysia ("LHDN")	22 & 23 Jul 2024
	2025 Budget Seminar	LHDN	23 Oct 2024
Lee Thiam Wah	Corporate Training on ESG for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia	29 Mar 2024
	Mandatory Accreditation Programme (MAP) Part I	ICDM	29 & 30 Apr 2024
	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCGG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom	28 Jun 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II: Board Composition *cont'd*

6. Continuing Education and Development *cont'd*

Directors	Trainings/Seminars Attended	Organiser	Date
Ng Lee Tieng	Corporate Training on ESG for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia	29 Mar 2024
	Mandatory Accreditation Programme (MAP) Part I	ICDM	29 & 30 Apr 2024
	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCCG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom	28 Jun 2024
Lee Lay Liang	Corporate Training on ESG for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia	29 Mar 2024
	Mandatory Accreditation Programme (MAP) Part I	ICDM	29 & 30 Apr 2024
	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCCG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom	28 Jun 2024
	LHDN E-invoice Seminar	SQL Account & LHDN	14 July 2024
Ho Tat Heng	Corporate Training on ESG for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia	29 Mar 2024
	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCCG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom	28 Jun 2024
	Mandatory Accreditation Programme (MAP) Part II	ICDM	6 & 7 Aug 2024
Nirmalah A/P V.Thurai	Navigating Cyber Threats in the Age of AI and thriving in a high risk landscape	ICDM	11 Mar 2024
	Climate Governance 101 - A board's guide to effective oversight	ICDM	21 Mar 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II: Board Composition *cont'd*

6. Continuing Education and Development *cont'd*

Directors	Trainings/Seminars Attended	Organiser	Date
Nirmalah A/P V.Thurai <i>cont'd</i>	Corporate Training on ESG for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia	29 Mar 2024
	Mandatory Accreditation Programme (MAP) Part I	ICDM	29 & 30 Apr 2024
	Being Sued as an INED - a personal journey	ICDM	10 May 2024
	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCCG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom	28 Jun 2024
	Understanding the new National Sustainability Reporting Framework	Minority Shareholders Watch Group ("MSWG")	18 Nov 2024
	Understanding the Challenging Role of an Independent Director	MSWG	19 Nov 2024
	Strategic Data and Frameworks in Board Governance	ICDM	2 Dec 2024
Serina Binti Abdul Samad	Corporate Training on ESG for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia	29 Mar 2024
	Mandatory Accreditation Programme (MAP) Part I	ICDM	10 & 11 Jun 2024
	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCCG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom	28 Jun 2024
	Understanding the new National Sustainability Reporting Framework	MSWG	18 Nov 2024
Dato' Abdul Latif Bin Abu Seman	Corporate Training on ESG for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia	29 Mar 2024
	Mandatory Accreditation Programme (MAP) Part I	ICDM	29 & 30 Apr 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd***Part II: Board Composition** *cont'd***6. Continuing Education and Development** *cont'd*

Directors	Trainings/Seminars Attended	Organiser	Date
Dato' Abdul Latif Bin Abu Seman <i>cont'd</i>	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCGG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom	28 Jun 2024
Ting Seng Hook @ Ting Seng Hee	Corporate Training on ESG for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia	29 Mar 2024
	Mandatory Accreditation Programme (MAP) Part I	ICDM	29 & 30 Apr 2024
	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCGG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom	28 Jun 2024
Lee Yan Zhong <i>(Alternate Director to Lee Thiam Wah)</i>	Corporate Training on ESG for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia	29 Mar 2024
	Mandatory Accreditation Programme (MAP) Part I	ICDM	29 & 30 Apr 2024
	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCGG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom	28 Jun 2024
	Launch of National Sustainability Reporting Framework (NSRF)	Securities Commission Malaysia	24 Sep 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II: Board Composition *cont'd*

6. Continuing Education and Development *cont'd*

Directors	Trainings/Seminars Attended	Organiser	Date
Leong Sau Chan (Alternate Director to Lee Lay Liang)	Corporate Training on ESG for Board of Directors and the Latest Disclosure Requirements Issued by Bursa Malaysia	Axcelasia	29 Mar 2024
	Mandatory Accreditation Programme (MAP) Part I	ICDM	29 & 30 Apr 2024
	Training on Overviews of Directors' Duties and Responsibilities, Corporate Disclosures, Dealings in Listed Securities, Transactions – Related parties Transactions & Recurrent Related Parties Transactions, Highlights of the MCCG, Corporate Liability Provision, Beneficial Ownership, Requirements in relation to Directors' Appointments and Independence, Roles of Board Committees and Constitution	Boardroom	28 Jun 2024

The Company Secretaries regularly circulate relevant guidelines on statutory and regulatory requirements and provide updates to the Board during Board meetings. Additionally, the external auditors also briefed the AC on any current and forthcoming changes to the Malaysian Financial Reporting Standards that may impact the Group's financial statements.

7. Board Assessment and Annual Evaluation

The NRC is required to conduct an annual review of the required mix of skills and experience of the Directors, the overall effectiveness of the Board, succession planning and boardroom diversity, including gender, age, ethnicity and other forms of diversity. The NRC also evaluates the training needs for Directors and assesses other key qualities of the Board, including the core competencies that Non-Executive Directors should bring to the Board.

The evaluation of candidate suitability is based solely on their competency, character, time commitment, integrity and experience, ensuring they meet the needs of the Company. The assessment, along with the Directors' feedback, is summarised in a questionnaire evaluating the effectiveness of the Board and its Committees. This will be discussed at the NRC meeting and subsequently report to the Board by the NRC Chairperson.

Pursuant to Practice 6.1 of the MCCG, a large company must undertake annual board evaluation and engage an independent expert at least three (3) years to facilitate the evaluation. As the Company was newly listed, the Board did not engage an external independent consultant to undertake a formal annual evaluation of the Board, Board Committees and each individual Director for the financial year under review. Instead, the annual assessment for the year 2024 was led by the Chairperson of the NRC and supported by the Company Secretaries on 20 February 2025. However, the Company will consider engaging an external independent consultant to carry out such evaluation, as and when deemed necessary.

The assessment was conducted by way of completion of questionnaires by each of the Directors which comprises of the following sections:-

- Board and Board Committees Evaluation;
- Directors' Self and Peer Evaluation;
- Assessment of Character, Experience, Integrity, Competence and Time Commitment;
- Assessment on Mix of Skill and Experience; and
- Evaluation of the Level of Independence of an Independent Director.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part II: Board Composition *cont'd*

7. Board Assessment and Annual Evaluation *cont'd*

The criteria adopted for the Board's performance evaluation includes Board mix and composition, quality of information and decision making, Board's relationship with the Management, Board activities, Board Chairman's roles and responsibilities and awareness of ESG issues, whilst the criteria adopted for the Directors' Self and Peer performance evaluation encompasses character, experience, integrity, competency and time commitment. The NRC has evaluated the performance of the CEO, Chief Operating Officer and Chief Financial Officer through evaluation form completed by themselves respectively.

In February 2025, the Company Secretaries presented to the NRC and thereafter, to the Board the outcome and the summary of the Board Assessment and Evaluation for the year 2024 ("**BAE 2024**"). The Board resolved to adopt the BAE 2024 results as recommended by NRC's review. The results of the BAE 2024 indicated that the performance of the Board, the Board Committees, the individual Directors and members of the Board Committees collectively during the review period has been highly satisfactory, objective and professional.

The results of the BAE 2024 were also used as a basis for recommending the relevant Directors for re-election at the upcoming AGM, which is in line with the Directors' Fit and Proper Policy.

The Board believes that its current size and composition are optimal for the Group's operations, reflecting a well-balanced mix of financial, technical and business expertise crucial to the effective stewardship of the Group. The Board is satisfied with the performance of each Director, confirming that they have met the performance criteria set forth in the prescribed areas of assessment. The results of these evaluations serve as the foundation for the NRC's recommendations to the Board regarding the re-election of Directors at the upcoming Second AGM of the Company.

Part III: Remuneration

1. Board Remuneration

The NRC will review and assess the remuneration packages, reward structure and benefits applicable to the Executive Directors and KSM on an annual basis and makes recommendations to the Board. The Board as a whole will determine the remuneration of the Executive Directors and KSM with each individual Director abstaining from the deliberation and decision of their own remuneration.

The remuneration packages of Executive Directors and KSM comprise a fixed salary and allowances as well as bonus approved by the Board whilst the remuneration of the Non-Executive Directors comprises annual fees and meeting allowance for their services in connection with Board and Board Committee meetings. The remuneration and benefits payable to Non-Executive Directors are subject to shareholders' approval at the AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd*

Part III: Remuneration *cont'd*

1. Board Remuneration *cont'd*

Details of Directors' remuneration (both the Group and the Company) who served during the financial year under review are as follows:-

The Group

Category	Remuneration (RM'000)						Total
	Fees	Allowance	Salary*	Bonus#	Benefits-in-kind	Other Emoluments	
Executive Directors							
Lee Thiam Wah	-	180	1,169	402	28	-	1,779
Lee Lay Liang	-	36	233	105	9	-	383
Lee Yan Zhong (Alternate Director to Lee Thiam Wah)	-	24	131	71	5	-	231
Leong Sau Chan (Alternate Director to Lee Lay Liang)	-	36	233	101	9	-	379
Non-Executive Directors							
Dato' Chua Tia Guan	160	12	-	-	-	-	172
Ng Lee Tieng	120	10	-	-	-	-	130
Ho Tat Heng	99	10	-	-	-	-	109
Nirmalah A/P V.Thurai	90	10	-	-	-	-	100
Serina Binti Abdul Samad	90	10	-	-	-	-	100
Dato' Abdul Latif Bin Abu Seman	90	10	-	-	-	-	100
Ting Seng Hook @ Ting Seng Hee	75	8	-	-	-	-	83
Total	724	346	1,766	679	51	-	3,566

Notes:-

* The salaries are inclusive of Employer's Provident Fund (EPF) contributions, Social Security Organisation (SOCSO) and Employee Insurance Scheme (EIS).

The bonus is inclusive of special bonus payout prior to the Initial Public Offering (IPO).

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A BOARD LEADERSHIP AND EFFECTIVENESS *cont'd***Part III: Remuneration** *cont'd***1. Board Remuneration** *cont'd***The Company**

Category	Remuneration (RM'000)						Total
	Fees	Allowance	Salary*	Bonus [#]	Benefits-in-kind	Other Emoluments	
Executive Directors							
Lee Thiam Wah	-	135	874	50	21	-	1,080
Lee Lay Liang	-	27	171	50	7	-	255
Lee Yan Zhong (Alternate Director to Lee Thiam Wah)	-	18	98	50	3	-	169
Leong Sau Chan (Alternate Director to Lee Lay Liang)	-	27	171	50	7	-	255
Non-Executive Directors							
Dato' Chua Tia Guan	160	12	-	-	-	-	172
Ng Lee Tieng	120	10	-	-	-	-	130
Ho Tat Heng	99	10	-	-	-	-	109
Nirmalah A/P V.Thurai	90	10	-	-	-	-	100
Serina Binti Abdul Samad	90	10	-	-	-	-	100
Dato' Abdul Latif Bin Abu Seman	90	10	-	-	-	-	100
Ting Seng Hook @ Ting Seng Hee	75	8	-	-	-	-	83
Total	724	277	1,314	200	38	-	2,553

Notes:-

* The salaries are inclusive of Employer's Provident Fund (EPF) contributions, Social Security Organisation (SOCSO) and Employee Insurance Scheme (EIS).

[#] The bonus is inclusive of special bonus payout prior to the Initial Public Offering (IPO).

The remuneration of the Directors on a named basis for financial year under review are disclosed in the CG Report which is made available on the Company's website at www.99speedmart.com.my as well as via an announcement on the website of Bursa Securities.

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 high calibre senior management staff in the consumer products and services industry.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE B EFFECTIVE AUDIT AND RISK MANAGEMENT

Part I: Audit Committee

The AC was established by the Board on 15 February 2024. The AC consists of three (3) members, all of whom are Independent Non-Executive Directors who are financial literate and have sufficient understanding of the Group's business. The AC is led by Mr Ho Tat Heng, a Senior Independent Non-Executive Director, who is a member of the Association of Chartered Certified Accountants to assist the Board in its oversight of the Company's financial reporting and in fulfilling its fiduciary responsibilities. The AC therefore meets the requirements of Paragraph 15.09(1)(b) and (c) of the MMLR.

The composition of AC, including its roles and responsibilities, number of meetings and attendance of AC, summary of AC activities and internal auditors' activities during the financial year under review were set out in the AC Report from page 129 to page 132 of this Annual Report.

The Chairman of the AC is not the Chairman of the Board, ensuring that the objectivity of the Board's review of the AC's findings and recommendations remains unaffected.

The AC's Terms of Reference outline its goals, objectives, duties, responsibilities and the criteria for its composition. This includes a requirement that a former key external audit partner of the Group must observe a cooling-off period of at least three (3) years before being eligible for appointment as a member of the AC.

The Board fosters a transparent and professional relationship with both the external and internal auditors through discussions facilitated by the AC. These discussions focus on the external and internal auditors' audit plans, findings and the Group's financial statements. The AC invites the external auditors at least twice a year to discuss their findings and audited financial statements of the Group. As the Company was newly listed on 9 September 2024, the AC met with the external auditors, Messrs Crowe Malaysia PLT once during the financial year under review without the presence of the Executive Directors and the Management.

The Board upholds the integrity of the Company's financial reporting and has established procedures, through the AC, to assess the suitability and independence of the external auditors. These procedures require the external auditors to provide written assurance confirming their independence throughout the audit engagement with the Company, in compliance with the independence criteria set by the Malaysian Institute of Accountants. Furthermore, the Board has determined that certain non-audit services, including management consulting, policy and standard operating procedures documentation, strategic decision-making and internal audit services, cannot be provided by the external auditors.

The AC carried out an assessment of the performance and suitability of the external auditors based on the quality of services, sufficiency of resources, adequacy of resources and trained professional staff assigned to the audit. The AC generally satisfied with the independence, performance and suitability of the external auditors based on the assessment and recommended to the Board and subsequently proposed to shareholders for approval for the re-appointment of Messrs Crowe Malaysia PLT as external auditors of the Company for the financial year ending 31 December 2025.

Part II: Risk Management and Internal Control Framework

The Board has established a RMC on 15 February 2024 to oversee and outlines the Company's risk management framework and policies.

The Board recognises the critical importance of maintaining a robust system of risk management and internal control to safeguard and enhance shareholders' value. The Board affirms its overall responsibility for the Group's risk management and for reviewing the adequacy and integrity of the Group's risk management framework, which encompasses all subsidiaries within the Group.

To facilitate this, the Board has established an internal audit function that led by the outsourced internal auditors, Axcelasia Sdn Bhd (formerly known as *Tricor Axcelasia Sdn Bhd*) who reports directly to the AC. The role of the internal auditors is to ensure the existence of adequate internal controls, which assist Management in addressing operational, regulatory and financial risks.

Further information can be found in the Statement on Risk Management and Internal Control from page 125 to page 128 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE C INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Part I: Communication with Stakeholders

The Board recognises the importance of informing shareholders and other stakeholders of all the significant developments concerning the Group on a timely basis with strict adherence to the MMLR. Shareholders and prospective investors are kept informed of all major developments within the Group by way of announcements made to Bursa Securities on quarterly financial results and Company's website with an overview of the Group's financial and operational performance in a timely manner. The Group constantly maintains transparency in its business activities and will continuously keep shareholders and prospective investors well informed on the Group's activities.

Since the launch of the Company's prospectus in August 2024 in conjunction with its listing on the Main Market of Bursa Securities, the Management has conducted a number of media and analyst briefings as well as issued press statements on the financial affairs of the Company.

The Board supports the use of information technology for effective dissemination of information. The Company has established a website at www.99speedmart.com.my, which serves as a useful reference source of information to shareholders, business partners and other stakeholders. In addition to publishing financial results, annual reports and business information, the website has dedicated Corporate Governance sections which included the Board Charter and policies of the Company.

Part II: Conduct of General Meeting

The AGM serves as the primary forum for shareholders to engage directly with the Directors and senior management. It provides shareholders with the opportunity to ask questions and seek clarification from the Board following their review of the Group's performance, as presented in the Company's Annual Report. Board members, Company Secretaries and external auditors will attend the upcoming AGM, offering shareholders the opportunity to inquire in person about the Company's performance and operations.

In line with the MMLR, the Company will implement poll voting for all proposed resolutions set out in the notice of any general meeting. An independent scrutineer will also be appointed to validate the votes cast at any general meeting of the Company.

To ensure shareholders have sufficient time to go through the Annual Report, it will be circulated at least twenty-eight (28) clear days before the date of the AGM. Shareholders are encouraged to vote on the proposed motions by appointing a proxy in the event they are unable to attend the meeting.

The notice of the Second AGM of the Company will be circulated to the shareholders at least 28 days before the AGM, which gives shareholders sufficient time to go through the Annual Report papers supporting the resolutions proposed, which to be in line with Section 316(2) of Companies Act 2016, Paragraph 7.15 of the MMLR and the MCCG. Notice of AGM also will be published in a nationally circulated newspaper alongside an announcement on the website of Bursa Securities. This allows shareholders to have immediate access of the notice of AGM and make the necessary preparations for the AGM.

The forthcoming Second AGM will be held physically, providing an effective platform for communication with shareholders. Shareholders will be encouraged to actively participate in the open question-and-answer session during the meeting.

The minutes of the Second AGM will be available on the Company's website at www.99speedmart.com.my within 30 business days from the Second AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *cont'd*

Part II: Conduct of General Meeting *cont'd*

The Board remains fully committed to the ongoing enhancement and strengthening of its governance practices and processes, recognising the critical importance of adapting to evolving standards and expectations. As part of its forward-looking strategies, the Board continuously identifies key focus areas and future priorities that will enable the Group to maintain high standards of corporate governance. A key focus area for the Board is the regular review and updating of its existing policies to ensure they are consistent with the latest legal, regulatory and industry developments. This process is undertaken as and when necessary, to ensure that the Company's policies remain in full compliance with prevailing statutory requirements, regulatory promulgations and globally recognised best practices.

By proactively addressing these areas, the Board aims to ensure that the Group's governance framework remains robust, effective and aligned with both current and future business needs and stakeholder expectations.

STATEMENT BY THE BOARD ON CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Company shall continue to strive for high standards of corporate governance throughout the Group and the highest level of integrity and ethical standards in all of its business dealings.

As 99 Holdings was only listed on the Main Market of Bursa Securities on 9 September 2024, the Board will continue to enhance its focus on the Company's corporate governance practices for the financial year ending 31 December 2025. The Company has in all material aspects satisfactorily complied with the principles and practices set out in the MCCG, except for the departures set out in the CG Report.

This CG Overview Statement together with the CG Report were approved by the Board on 14 April 2025.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

1. UTILISATION OF PROCEEDS

99 Speed Mart Retail Holdings Berhad (“**99 Holdings**” or “**the Company**”) was listed on the Main Market of Bursa Securities on 9 September 2024 (“**Listing**”). In conjunction with the Listing, the Company undertook a public issue of 400,000,000 new ordinary shares at an issue price of RM1.65 per share, raising gross proceeds of RM660 million (“**IPO Proceeds**”).

The details of utilisation of the IPO Proceeds for the financial year ended 31 December 2024 are as follows:-

Details of utilisation of proceeds	Estimated timeframe for utilisation from the date of Listing	Initial proposed utilisation (RM'000)	Actual utilisation (RM'000)	Deviation ⁽¹⁾ (RM'000)	Balance unutilised (RM'000)
Outlet and Distribution Centre (“DC”) expenditure					
(i) Expansion of network of outlets	Within 36 months	389,000	(43,000)	-	346,000
(ii) Establishment of new DCs	Within 36 months	100,000	-	-	100,000
(iii) Purchase of delivery trucks	Within 36 months	55,000	-	-	55,000
(iv) Upgrading of existing outlets	Within 36 months	47,600	-	-	47,600
Repayment of existing bank borrowings	Within 6 months	45,000	(45,000)	-	-
Defray fees and expenses for the Proposed Public Issue	Within 6 months	23,400	(21,183)	(2,217)	-
		660,000	(109,183)	(2,217)	548,600

Note:

(1) The actual listing expenses are lower than budgeted, hence the excess amount not utilised for listing expenses were used to fund general working capital requirements.

The utilisation of proceeds as disclosed above should be read in conjunction with the Company’s Prospectus dated 15 August 2024.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid/payable to external auditors by the Company and its subsidiaries (“**the Group**”) for the financial year ended 31 December 2024 are as follows:

	Group (RM'000)	Company (RM'000)
Statutory audit	588	38
Non-statutory audit ⁽¹⁾	1,241	833
Total	1,829	871

Note:

(1) Non-statutory audit fees mainly for services performed in connection with the Company’s Initial Public Offering, review of Annual Report and Statement on Risk Management and Internal Control.

ADDITIONAL COMPLIANCE INFORMATION

Cont'd

3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and/or its subsidiaries which involve Directors' and major shareholders' interests during the financial year under review.

4. CONTRACTS RELATING TO LOANS

There were no contracts relating to loans entered into by the Company and/or its subsidiaries involving the interest of the Directors or major shareholders during the financial year under review.

5. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

Save for the RRPT as disclosed in Note 30 to the financial statements, there was no other transactions entered into with the related parties during the financial year under review.

The Company will be seeking its shareholders' ratification and first shareholders' mandate for the RRPT, following its listing on 9 September 2024, at the forthcoming Annual General Meeting to be held on 5 June 2025. The details of the Proposed Shareholders' Ratification and Proposed New Shareholders' Mandate for RRPT of a Revenue or Trading Nature are disclosed in the Circular to Shareholders dated 25 April 2025.

6. EMPLOYEES' SHARE SCHEME

The Company did not establish any employee share scheme and does not have any subsisting employee share scheme during the financial year under review.

7. OPERATIONAL LICENSES AND CERTIFICATES

As of 28 March 2025, more than 95% of the Group's total outlets have obtained operational licences ("OL"), while over 97% of the total outlets have obtained Certificate of Completion and Compliance ("CCC").

All of our operating DCs have secured fire certificates, and of which 95% of them have obtained CCC.

70% of the Group's employee accommodations have been issued Certificates of Accommodation ("CFA").

Notwithstanding the above, applications have been submitted to the relevant authorities for the balance of OL, CCC and CFA.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Board of Directors (“Board”) of 99 Speed Mart Retail Holdings Berhad is pleased to provide the Statement on Risk Management and Internal Control, outlining the nature and scope of risk management and internal control of 99 Speed Mart Retail Holdings Berhad (“the Company”) and its subsidiaries (“the Group”) for the financial year ended 31 December 2024 (“FY2024”).

BOARD RESPONSIBILITY

The Board is ultimately responsible for the Group’s risk management and internal control systems; and for reviewing their adequacy and effectiveness to safeguard shareholders’ interests and the Group’s assets. This includes an ongoing process of identifying, evaluating, and managing significant risks faced by the Group in achieving its objectives and strategies.

The Board recognises that risk management and internal control systems are designed to mitigate risks rather than eliminating them. Due to inherent limitations, such systems can only provide reasonable, but not absolute, assurance against material misstatements, losses, or fraud.

To effectively discharge its responsibilities, the Board, through the Risk Management Committee (“RMC”) and Audit Committee (“AC”), oversees matters regarding risk, compliance, and internal control management.

RISK MANAGEMENT FRAMEWORK

The management, with the RMC and guidance from the external consultant, have established an Enterprise Risk Management (“ERM”) framework which is approved by the Board on 2 September 2024. The Group’s risk management system is guided by the principles of ISO 31000:2009, Risk Management – Principles and Guidelines, which provides a framework and process for managing risk where risks are identified, assessed, and monitored across key business functions. The framework includes the reporting structure and principal responsibilities for ERM. The ERM framework is illustrated below:

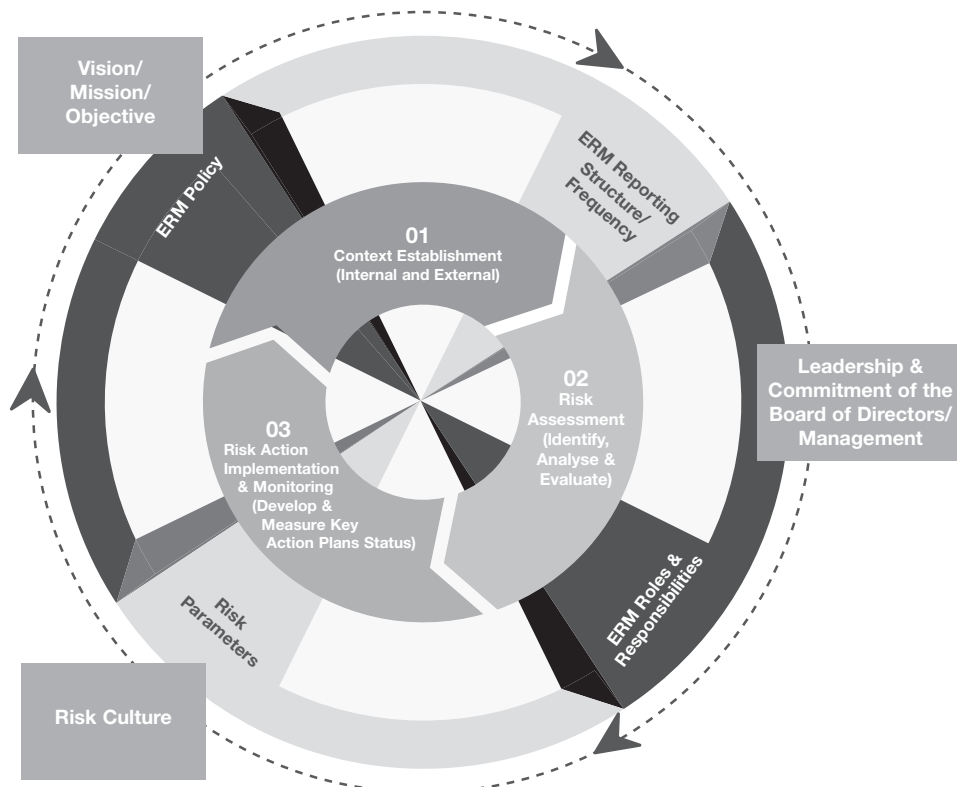


Illustration 1: ERM Framework

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Cont'd

RISK MANAGEMENT FRAMEWORK *cont'd*

The principal responsibilities for ERM are illustrated below:

Roles	Principal Responsibilities for ERM
Board	<ul style="list-style-type: none"> ■ Overall risk management oversight; ■ Approve and adopt the ERM Policies and Framework; ■ Articulate and provide direction on risk appetite, organisational control environment and risk culture at the Organisation; and ■ Monitor the overall ERM framework's performance and implementation effectiveness at the Organisation.
RMC	<ul style="list-style-type: none"> ■ Review the context within which risk is managed in relation to the Organisation's strategic direction and objectives; ■ Oversee and provide oversight and direction for the implementation of risk management in the Organisation and consistent application of ERM principles; and ■ Periodically review the Organisation's risk management framework and supporting structure, including: <ul style="list-style-type: none"> - Satisfying itself that appropriate systems are in place to identify, assess and manage the significant risks affecting the Organisation. - Ensuring that the Organisation's staff are clear as to their roles and responsibilities with regards to ERM Framework.
AC	<ul style="list-style-type: none"> ■ Provide an objective and independent view on the effectiveness of ERM implementation to the Board.
Management Committee	<ul style="list-style-type: none"> ■ Recommend ERM policies to the Board and monitor consistent enforcement of the policies across the Group; ■ Review the risk parameters, risk appetite, risk profiles, risk treatment options and risk action plans; ■ Provide guidance and advice on appropriateness of risk treatment option selected and risk action plans development; ■ Ensure organisation is conducted within the agreed risk constraints and operations rules; ■ Articulate and challenge risk ratings, control effectiveness, risk treatment options and risk action plans identified by Risk Owners; ■ Ensure that the ERM reports prepared are submitted to the Board on a timely manner, and reports are submitted in the event of any risk(s) that require urgent attention; and ■ Evaluate the adequacy of ERM tools, resources, trainings and subject matter expert.
Risk Owners	<ul style="list-style-type: none"> ■ Identification and assessment of risks, implementation and monitoring of risk action plans and key risk indicators; ■ Review the Organisation's risk registers; ■ Prepare and report to Management Committee on a timely manner and timely preparation of reports in the event of any risk(s) that require urgent attention; and ■ Maintain highest alert on both internal and external activities or circumstances that may have adverse risk impacts and consequences to the Organisation.
Risk Co-owners	<ul style="list-style-type: none"> ■ Provide support to Risk Owners on key risks identified and to assist in the implementation of risk action plans; and ■ Engage and discuss with Risk Owners on internal and external activities or circumstances that may give rise to new risks or changes on rating or control effectiveness of existing risks.
Risk Manager	<ul style="list-style-type: none"> ■ Ensure effective implementation of ERM activities of the Group; ■ Receive and review reports on significant risks affecting the Group and recommendations on how such risks are being managed (Risk Action Plan); ■ Determine risk programmes and priorities; ■ Review the Group's risk registers; and ■ To recommend to RMC any matter or issue of significance relating to risk management for RMC's decision or approval;

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Cont'd

RISK MANAGEMENT FRAMEWORK *cont'd*

Roles	Principal Responsibilities for ERM
Staff	<ul style="list-style-type: none"> ■ Provide assistance to Risk Owners and/or Risk Co-owners on key risks identified and to support the implementation of risk action plans and key risk indicators; ■ Engage and discuss with Risk Owners and/or Risk Co-owners on internal and external activities or circumstances that may give rise to new risks or changes on rating or control effectiveness of existing risks; and ■ Exercise care to prevent loss, whilst capitalising the opportunity as well as ensuring the operations, reputation and assets are not adversely affected.
Internal Audit	<ul style="list-style-type: none"> ■ To assist Board in reviewing the effectiveness of ERM and providing an independent view on specific risks and control issues, trends and events.

The framework facilitates ongoing risk management processes for identifying, evaluating, and managing significant risks. The results from this process are regularly reported during the RMC meetings.

The framework ensures structured risk assessment, mitigation, and continuous monitoring, aligning with the Group's strategic direction and risk appetite.

The structured risk assessment process included the following:

- conducting risk profiling and determining key risk areas and their impact; and
- monitoring and updating the operational risk register and the system of internal controls to incorporate changes in business environment and regulatory guidelines.

These processes have been in place for the year under review and up to the date of approval of this statement for inclusion in the annual report.

To ensure that the Group's ERM framework remain sound, the risk register is being monitored to include emerging risk as and when necessary. This serves to ensure controls are in place and continue to operate adequately and effectively.

The Group has outsourced their internal audit function to an external consultant who plays a critical role in supporting the AC by providing independent and objective assurance on the effectiveness of risk management, internal controls and governance process. It provides periodic internal audit report highlighting key findings, risks and recommended actions, tracks management's response and corrective actions.

The Board, through the RMC and AC, provides an assurance for maintaining a sound risk management and internal control framework. Regular internal audits and control reviews are conducted and any control deficiencies identified have been addressed through corrective action plans.

Based on ERM framework, a structured process was undertaken to evaluate the risks, implement corrective action plans and monitor progress to ensure timely resolution. The internal auditor has conducted follow-up reviews, and updates were presented to the AC and the Board for oversight.

The RMC, established on 15 February 2024, is chaired by an Independent Non-Executive Director and comprises two additional Independent Non-Executive Directors and Chief Executive Officer ("CEO") as its members. The committee has regularly convened to identify, assess, review and monitor risk faced by the Group and communicate its findings to the Board. During these meetings, the Chief Operating Officer ("COO") and other Heads of Department also participated in the deliberations to provide insights and update on key risk areas.

INTERNAL AUDIT FUNCTION

During the financial year under review, the Board has outsourced its internal audit function to a professional service firm, namely Axcelasia Sdn Bhd (formerly known as Tricor Axcelasia Sdn Bhd) ("**Axcelasia**"), to provide independent internal audit services to the Group. Axcelasia reports directly to the AC and adopts a risk-based approach and prepares its audit strategy and plan based on the risk assessment of the Group. Scheduled internal audits are carried out based on the annual audit plan approved by the AC. On a quarterly basis, Axcelasia presents to the AC its internal audit report which summarises audit findings and recommendations with respect to the system of internal control and control weaknesses (if any); as well as conducting follow-up review to assess the effectiveness of implementation of those agreed action plans to mitigate risks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Cont'd

INTERNAL AUDIT FUNCTION *cont'd*

Axcelasia assigns a team of five personnel to carry out each internal audit assignment led by its engagement director assigned to the Group, Mr Chang Ming Chew. Mr Chang holds the Certified Information System Auditor from the ISACA; and the Certified Internal Auditor and Certification in Risk Management Assurance from the Institute of Internal Auditors, Inc. He is a member of the Institute of Internal Auditors Malaysia, Association of Chartered Certified Accountants (UK) and the Malaysian Institute of Accountants.

Axcelasia conducts the internal audits as guided by a recognised framework, encompassing audit planning, execution, documentations, communication of findings and consultation with key stakeholders on their findings.

The total costs associated with the outsourced internal audit function for FY2024 post IPO listing is RM60,000 and the details of the internal audit activities carried out by Axcelasia are disclosed in the Audit Committee Report on pages 129 to 132 of this Annual Report.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this statement pursuant to paragraph 15.23 of the MMLR of Bursa Securities and have reported that nothing has come to their attention that causes them to believe that the contents of this Statement intended to be included in the annual report are not prepared, in all material respects, in accordance with the disclosures 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 the Statement factually inaccurate.

Their review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagement other than Audits or Reviews of Historical Financial Information, and Audit and Assurance Practice Guide 3 (“AAPG 3”), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants.

AAPG 3 does not require the external auditor to consider whether the Statement covers all risks and controls or to form an opinion on the adequacy and effectiveness of the Group’s risk management and internal control system. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

CONCLUSION

The Board is satisfied and of the view that the Group’s system of risk management and internal controls are sound and sufficient to safeguard shareholders’ interest and assets of the Group. In addition, the CEO, COO and Chief Financial Officer (“CFO”) have provided assurance to the Board that the Group’s risk management and internal control system is adequate and functioning effectively in all material respects for the year under review and up to the date of approval of this Statement.

There were also no material losses incurred during the financial year under review up to the date of the Annual Report as a result of weaknesses in internal control that would result in material losses, contingencies or uncertainties requiring separate disclosure in the Annual Report.

The Board believes that the development of the system of risk management and internal controls is an on-going process and has taken steps throughout the financial year to improve on the existing risk management and internal control processes and procedures, and will continue to do so, on an on-going basis. This highlights the Board’s commitment in ensuring the adequacy and effectiveness of the system in protecting the shareholders’ investment and the Group’s assets.

This Statement is made in accordance with the Board’s approval at its meeting held on 14 April 2025.

AUDIT COMMITTEE REPORT

The Board of Directors (“**the Board**”) of 99 Speed Mart Retail Holdings Berhad (“**99 Holdings**” or “**the Company**”) is pleased to present the Audit Committee (“**AC**”) Report for the financial year ended 31 December 2024 (“**FY2024**”) in compliance with Paragraph 15.15 of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The AC was established on 15 February 2024 with the primary objective to assist the Board in fulfilling its fiduciary duties and responsibilities in accordance with its Terms of Reference (“**TOR**”), providing an additional assurance to the Board by giving an objective and independent review of financial, operational and administrative controls and procedures as well as establishing and maintaining internal controls.

The AC Report provides insights on how AC discharged its functions and duties for the FY2024, details as follows:

COMPOSITION

The AC currently comprises three members, all of whom are Independent Non-Executive Directors. The Chairperson of the AC, Mr Ho Tat Heng, is a member of the Association of Chartered Certified Accountants. All of the AC members are financially literate and understand matters under the purview of the AC including the financial reporting process to effectively discharge their duties and responsibilities as members of the AC. The AC therefore meets the requirements of Paragraph 15.09(1)(a), (b) and (c) of the MMLR of Bursa Securities and Practice 9.4 under Principle B of the Malaysian Code on Corporate Governance (“**MCCG**”).

The current composition of the AC is as follows:

Name of AC Member	Designation
Ho Tat Heng (Chairperson)	Senior Independent Non-Executive Director
Serina Binti Abdul Samad (Member)	Independent Non-Executive Director
Dato’ Abdul Latif Bin Abu Seman (Member)	Independent Non-Executive Director

In the event of any vacancy in the AC (including the Chairperson), the vacancy must be filled within three months of that event and no alternate director shall be appointed as a member of the AC.

MEMBERSHIP

As of date of this report, the Chairperson of the AC is a member of one of the associations of accountant specified in Part II of the First Schedule of the Accountants Act 1967. This composition thus fulfils the Chapter 15.09(1) (c) of the MMLR, which stipulate that at least one member of the AC must be a member of the Malaysian Institute of Accountants or, alternatively, a Director who has at least three 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.

AUDIT COMMITTEE REPORT

Cont'd

MEETINGS

The AC met twice during the financial year under review and the details of attendance of each AC member are as follows:

Name of AC Member	No. of AC Meetings Attended	Percentage (%)
Ho Tat Heng	2/2	100%
Serina Binti Abdul Samad	2/2	100%
Dato' Abdul Latif Bin Abu Seman	2/2	100%

The Chief Financial Officer (“**CFO**”), external auditors, internal auditors (both from the in-house internal audit personnel and the professional firm providing outsourced internal audit services) together with the relevant personnel from the Management, were invited to attend AC meetings to present their reports and provide updates on developments arising from the audit reports. The AC Chairperson then reported the AC’s recommendations to the Board for their consideration and updated the Board on significant matters discussed during the AC meetings. As the Company was newly listed on 9 September 2024, the AC met with the external auditors, Messrs Crowe Malaysia PLT once during the financial year under review without the presence of the Executive Directors and Management.

Discussions and deliberations at the AC meetings were duly recorded in the minutes of the AC meetings. The minutes of the AC meetings were subsequently tabled to the Board following their confirmation at each ensuing AC meeting.

At all AC meetings, the CFO presented the report on the financial results of 99 Holdings and its subsidiaries (“**the Group**”) and addressed any questions raised by the AC concerning financial matters and the financial results.

TERM OF OFFICE AND PERFORMANCE

In order to assess the term of office of the AC members and performance of the AC in accordance with Paragraph 15.20 of the MMLR of Bursa Securities, Nomination and Remuneration Committee (“**NRC**”) had performed an annual review and assessment of the term of office and performance of AC and each of the AC member has also performed the annual self and peer evaluation assessment. The results were tabled to the NRC for review and discussion at the NRC meeting held on 20 February 2025, prior to presenting the summary reports to the Board for evaluation at the Board meeting held on 24 February 2025. The NRC and the Board were satisfied that the AC has effectively discharged its duties in accordance with the TOR for the financial year under review.

TERMS OF REFERENCE

The authorities, functions and responsibilities of the AC are set out in its TOR, which is available on the Company’s website at www.99speedmart.com.my.

AUDIT COMMITTEE REPORT

Cont'd

SUMMARY OF WORK OF THE AUDIT COMMITTEE

The summary of the activities undertaken by the AC in the discharge of its duties and responsibilities during the financial year under review, amongst others, include the following:

a) Financial Reporting

- Reviewed and discussed with the CFO the unaudited quarterly financial results of the Group before recommending to the Board for consideration and approval for their release to Bursa Securities, focusing particularly on:
 - o Compliance with applicable accounting and financial reporting standards, legal and other regulatory requirements;
 - o Significant matters highlighted in the financial statements;
 - o Significant judgements made by the Management;
 - o The review of performance of the Group;
 - o The prospects of the Group; and
- Reviewed the Budget for the financial year ending 2025 and proposed to the Board for approval, at the AC meetings held on 2 September 2024 and 8 November 2024 respectively.

b) External Audit

- Reviewed and discussed with the external auditors on the audit planning memorandum for the FY2024 covering the audit objectives and approach, audit plan, key audit areas and relevant technical pronouncements and accounting standards issued by Malaysian Accounting Standards Board and regulating the requirements applicable to the Group; and the processes and controls in place to ensure effective and efficient financial reporting and disclosures under the financial reporting standards;
- Reviewed, discussed and assessed all significant matters highlighted by the external auditors on financial reporting;
- Held private session with the external auditors without the presence of Executive Directors and Management on 8 November 2024 and discussed the extent of assistance rendered by Management and issues arising from their audit.

c) Internal Audit

The internal audit function is outsourced to an independent professional firm, namely Axcelasia Sdn Bhd (*formerly known as Tricor Axcelasia Sdn Bhd*), which reports directly to the AC. The work of the internal auditors, in all material respects, is guided by the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors.

During the financial year under review, the AC undertook the following activities in respect of internal audit:

- Approving an internal audit plan which was prepared using a risk based. Audit area focuses on areas of high risk to ensure that adequate correction actions are in place to mitigate the risk in a timely manner;
- 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; and
- Met with the internal auditors without the presence of Executive Directors and Management on 2 September 2024 and 8 November 2024 respectively.

AUDIT COMMITTEE REPORT

Cont'd

SUMMARY OF WORK OF THE AUDIT COMMITTEE *cont'd*

c) Internal Audit *cont'd*

For the FY2024, the internal audit had covered the area of Recurrent Related Party Transactions (“RRPT”), Inventory and Cash Loss Prevention and follow-up on findings of the corresponding previous internal audit report. The following activities were carried out:

- Tabled for the AC’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 findings 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.

d) Related Party Transactions

- Reviewed and recommended to the Board the Related Party and RRPT Policy for approval and adoption, which has been drafted in accordance with Chapter 10 of the MMLR of Bursa Securities;
- Reviewed all RRPT within the Group to ensure these transactions were at arm’s length basis and in 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 RRPT to ensure that the process and controls are in place; and
- Reviewed the circular to shareholders in relation to the proposed shareholders’ ratification and proposed new shareholders’ mandate for RRPT of a revenue or trading nature.

e) Conflict of Interest

- Reviewed and recommended to the Board the Conflict of Interest (“COI”) Policy, together with the COI Declaration Form for approval and adoption, for the purpose of identifying evaluating, disclosure/reporting, monitoring, maintenance and management of COI situations; and
- Reviewed the disclosure of actual or potential COI, including interest in any competing business, submitted by the Directors and key senior management of the Group via the COI Declaration Form to the Company Secretaries, who then escalated the same to the AC for assessment, conflict management and/or mitigation.

f) Corporate Governance and Regulatory Compliance

- Reviewed the Anti-Bribery and Anti-Corruption Policy, Limits of Authority and Whistleblowing Policy;
- Approved the appointment of the outsourced internal auditors; and
- Approved the appointment of Assistant Manager of the in-house internal audit function.

This report has been reviewed and approved by the Board on 14 April 2025.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under the Companies Act 2016 (“**Act**”) and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Directors have made a statement expressing an opinion on the financial statements of the Group and the Company. The Board is of the opinion that the financial statements have been drawn up in accordance with the Malaysian Financial Reporting Standards (“**MFRSs**”), International Financial Reporting Standards (“**IFRSs**”) and the provisions of the Act 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 the financial performance and cash flows of the Group and the Company for the financial year then ended (“**FY2024**”).

In the process of preparing these financial statements for the FY2024 set out from page 134 to page 187 of this Annual Report, and other than as disclosed in the notes to the financial statements, the Directors have deliberated that:

- (a) appropriate and relevant accounting policies have been adopted and applied consistently;
- (b) judgements and estimations have been made on reasonable and prudent basis;
- (c) all applicable accounting standards have been followed; and
- (d) the financial statements have been prepared on a going concern basis.

In addition, the Directors have a responsibility to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors have also taken all such necessary steps to ensure that proper internal controls are in place to safeguard the assets of the Group and the Company and to detect and prevent fraud and other irregularities.

Financial Statements

- 135 Directors' Report
- 141 Statement by Directors
- 141 Statutory Declaration
- 142 Independent Auditors' Report
- 147 Statements of Financial Position
- 148 Statements of Profit or Loss and
Other Comprehensive Income
- 149 Statements of Changes in Equity
- 151 Statements of Cash Flows
- 153 Notes to The Financial Statements



DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024. All values shown in this report are rounded to the nearest thousand ("RM'000") unless otherwise indicated.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and providing management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

CONVERSION TO BERHAD STATUS

The Company was incorporated in Malaysia as a private limited liability company on 15 May 2023. On 10 July 2023, the Company changed its name from 99 Speed Mart Holdings Sdn. Bhd. to 99 Speed Mart Retail Holdings Sdn. Bhd.. On 29 January 2024, the Company was converted to a public limited liability company and assumed its current name of 99 Speed Mart Retail Holdings Berhad.

RESULTS

	The Group RM'000	The Company RM'000
Profit for the financial year	490,265	97,999

DIVIDEND

During the financial year, the Company declared the following interim dividend to the founding members of the Company:-

	RM'000
In respect of the financial year ended 31 December 2024	
An interim dividend of RM0.0125 per ordinary share, paid on 10 June 2024	100,000

The directors of the Company do not propose any further dividends in respect of the current financial year.

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT

Cont'd

ISSUES OF SHARES AND DEBENTURES

On 20 May 2024, the Company carried out a subdivision of 1 existing ordinary share into approximately 16.859625 subdivided ordinary shares ("**Subdivision**"). Upon completion of the Subdivision, the total number of ordinary shares increased from 474,506,402 to 8,000,000,000.

On 9 September 2024, the Company issued 400,000,000 new ordinary shares at an issue price of RM1.65 per ordinary share in conjunction with its Initial Public Offering ("**IPO**").

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

The Company did not issue any debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that no allowance for impairment losses on receivables is required.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

DIRECTORS' REPORT

Cont'd

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Lee Thiam Wah*	
Ng Lee Tieng*	
Dato' Chua Tia Guan	
Lee Lay Liang*	
Ho Tat Heng	<i>(Appointed on 8.1.2024)</i>
Nirmalah A/P V.Thurai	<i>(Appointed on 8.1.2024)</i>
Serina Binti Abdul Samad	<i>(Appointed on 8.1.2024)</i>
Dato' Abdul Latif Bin Abu Seman	<i>(Appointed on 8.1.2024)</i>
Ting Seng Hook @ Ting Seng Hee	<i>(Appointed on 14.3.2024)</i>
Lee Yan Zhong	<i>(Alternate Director to Lee Thiam Wah)</i>
Leong Sau Chan*	<i>(Alternate Director to Lee Lay Liang)</i>
Lian Teng Hai	<i>(Appointed on 8.1.2024, resigned on 14.2.2024)</i>

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

DIRECTORS' REPORT

Cont'd

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	←———— Number of Ordinary Shares —————→				At 31.12.2024
	At 1.1.2024	Subdivided	Allotted/ Subscribed	Sold	
Ordinary shares in the Holding Company, Lee YG Holdings Sdn. Bhd.					
<i>Direct Interest</i>					
Lee Thiam Wah	2	-	-	-	2
Ordinary shares in the Company					
<i>Direct Interests</i>					
Lee Thiam Wah	198,936,867	3,155,064,110	-	(986,880,000)	2,367,120,977
Ng Lee Tieng	18,980,252	301,019,679	-	(41,120,000)	278,879,931
Dato' Chua Tia Guan	-	-	500,000	-	500,000
Lee Lay Liang	-	-	500,000	-	500,000
Ho Tat Heng	-	-	200,000	-	200,000
Nirmalah A/P V.Thurai	-	-	200,000	-	200,000
Ting Seng Hook @ Ting Seng Hee	-	-	200,000	-	200,000
Lee Yan Zhong	-	-	500,000	-	500,000
Leong Sau Chan	-	-	730,000	-	730,000
<i>Indirect Interest</i>					
Lee Thiam Wah ⁽¹⁾	256,589,283	4,069,409,809	-	-	4,325,999,092

⁽¹⁾ Deemed interest by virtue of his direct substantial shareholding in Lee YG Holdings Sdn. Bhd..

By virtue of his shareholdings in the Company, Lee Thiam Wah is deemed to have interests in shares of the subsidiaries during the financial year to the extent of the Company's interest, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares of the Company or its related corporation during the financial year.

DIRECTORS' REPORT

Cont'd

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 30 to the financial statements.

Neither during nor at the end of the financial year was the Group and the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	The Group RM'000	The Company RM'000
Fee	741	741
Short-term employee benefits	2,600	1,657
Defined contribution plan	192	134
	3,533	2,532

The estimated monetary value of benefits-in-kind provided by the Group and the Company to certain directors were RM51,250 and RM38,000 respectively.

INDEMNITY AND INSURANCE COST

During the financial year, the total amounts of indemnity coverage and insurance premium paid for the directors and certain officers of the Group were RM10,000,000 and RM48,000 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 38 to the financial statements.

HOLDING COMPANY

The holding company is Lee YG Holdings Sdn. Bhd. (formerly known as 99 IMall Sdn. Bhd.), a company incorporated in Malaysia on 16 May 2017.

DIRECTORS' REPORT

Cont'd

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:

	The Group RM'000	The Company RM'000
Statutory audit	588	38
Non-statutory audit	1,241	833
	1,829	871

Signed In Accordance With A Resolution Of The Directors
Dated 21 April 2025

Lee Thiam Wah

Ng Lee Tieng

STATEMENT BY DIRECTORS

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

We, Lee Thiam Wah and Ng Lee Tieng, being two of the directors of 99 Speed Mart Retail Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 147 to 187 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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 financial year ended on that date.

Signed In Accordance With A Resolution Of The Directors
Dated 21 April 2025

Lee Thiam Wah

Ng Lee Tieng

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Ong Yee Peng (MIA membership number: 46496), being the officer primarily responsible for the financial management of 99 Speed Mart Retail Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 147 to 187 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
 Ong Yee Peng, at Klang
 in the State of Selangor Darul Ehsan
 on this 21 April 2025

Ong Yee Peng

Before me

Lee Pei Nam
 No : B186
 Commissioner of Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF 99 SPEED MART RETAIL HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No : 202301017784 (1511706 - T)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of 99 Speed Mart Retail 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 profit or loss and other 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 material accounting policy information, as set out on pages 147 to 187.

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 cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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 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 Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("**IESBA Code**"), 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 judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF 99 SPEED MART RETAIL HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No : 202301017784 (1511706 - T)

Cont'd

Key Audit Matters *cont'd*

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p><u>Revenue Recognition (Refer to Notes 3.11 and 22 to the financial statements)</u></p> <p>Revenue is presented as a key audit matter due to its significance and large volume of low value sales transactions generated from numerous retail outlets across Malaysia which is material to the Group. It poses a higher risk of material misstatement to the financial statements of the Group due to the magnitude of the sales transactions.</p>	<p>Our procedures to address this area of focus include, amongst others, the following: -</p> <ul style="list-style-type: none"> • Obtained an understanding of the relevant controls over the process of recording revenue and tested the operating effectiveness of controls over occurrence and compilation of revenue; • Performed IT Audit to verify the compilation controls and performed data analytics on Point of Sales transactions; • Performed cash anchor testing to identify cash collections, credit cards and other receipts for revenue recognised; • Reviewed journal entries with regard to sales; and • Performed cut-off tests to ascertain that revenue has been recorded in the correct financial year.
<p><u>Valuation of inventories (Refer to Notes 3.5 and 10 to the financial statements)</u></p> <p>The valuation of inventories was primary audit area of focus due to the substantial volume involved and the necessity to evaluate controls for identifying damaged and slow-moving inventories at retail outlets and distribution centres.</p>	<p>Our audit procedures included, amongst others:-</p> <ul style="list-style-type: none"> • Obtained an understanding of: - <ul style="list-style-type: none"> • the Group's inventory management process; and • how the Group identifies and assess on inventories to be written off. • Reviewed net realisable value of certain inventories.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF 99 SPEED MART RETAIL HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No : 202301017784 (1511706 - T)

Cont'd

Key Audit Matters *cont'd*

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p><u>Other Operating Income (Refer to Notes 3.13 and 23 to the financial statements)</u></p> <p>The recognition of allowances and incentives from vendors is a key focus area as it contributes significantly towards the profit before taxation of the Group. Significant judgement is required when identifying the nature and the level of fulfilment of the Group's obligations under the vendor agreements.</p>	<p>Our audit work steps include:-</p> <ul style="list-style-type: none"> • Gained an understanding in the process of how the management quantify and recognise the allowances and incentives; • Reviewed the appropriateness of the management's assessment of whether there are distinct services and performance obligations for the allowances and incentives to be recognised as components of other operating income in the consolidated statement of profit or loss and other comprehensive income; and • Verified computation and reconciliation of deferred allowances and incentives based on contractual terms.
<p><u>Recognition of right-of-use assets and lease liabilities (Refer to Notes 3.10, 7 and 17 to the financial statements)</u></p> <p>Recognition of right-of-use assets and lease liabilities is key audit area due to their significance to the Group. It involves significant assumptions requiring judgement in determining discount rates and lease terms, including renewal, termination options of the leases and the provision for restoration costs.</p>	<p>Our audit work steps include:-</p> <ul style="list-style-type: none"> • Verified the accuracy of the underlying lease information by agreeing to a sample of leases to the original lease agreements; • Assessed the recognition of leases and the appropriateness of using incremental borrowing rate in compliance with MFRS 16 - Leases; and • Assessed the appropriateness of the assumptions used.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF 99 SPEED MART RETAIL HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No : 202301017784 (1511706 - T)

Cont'd

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 annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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 the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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.

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 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 judgement and maintain professional scepticism 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 of 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF 99 SPEED MART RETAIL HOLDINGS BERHAD

(Incorporated in Malaysia)

Registration No : 202301017784 (1511706 - T)

Cont'd

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 judgement and maintain professional scepticism throughout the audit. We also (Cont'd):-

- Conclude on the appropriateness of the 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 and 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 and the Company to cease to continue as a going concern.
- 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.
- 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 group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose 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.

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 5 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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Shah Alam

21 April 2025

Ong Beng Chooi
03155/05/2025 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	1,114,133	474,833
Property and equipment	6	576,280	479,445	-	-
Right-of-use assets	7	865,666	774,210	-	-
Intangible asset	8	7	5	-	-
Deferred tax assets	9	12,700	16,259	-	-
		1,454,653	1,269,919	1,114,133	474,833
CURRENT ASSETS					
Inventories	10	1,339,042	1,174,379	-	-
Trade receivables	11	15,344	41,906	-	-
Other receivables, deposits and prepayments	12	54,011	42,550	747	131
Cash and cash equivalents	13	698,100	137,571	573	474
		2,106,497	1,396,406	1,320	605
TOTAL ASSETS		3,561,150	2,666,325	1,115,453	475,438
EQUITY AND LIABILITIES					
EQUITY					
Share capital	14	1,121,667	474,506	1,121,667	474,506
Reserves	15	(457,035)	(457,010)	-	-
Retained profits/(Accumulated losses)		914,344	524,079	(6,594)	(4,593)
TOTAL EQUITY		1,578,976	541,575	1,115,073	469,913
NON-CURRENT LIABILITIES					
Term loans	16	-	47,265	-	-
Lease liabilities	17	711,827	633,120	-	-
Provision for restoration costs	18	58,689	53,439	-	-
		770,516	733,824	-	-
CURRENT LIABILITIES					
Trade payables	19	936,369	982,140	-	-
Other payables and accruals	20	70,922	219,095	86	5,525
Contract liability	21	3,426	2,512	-	-
Term loans	16	3,429	4,670	-	-
Lease liabilities	17	172,638	154,909	-	-
Current tax liabilities		24,874	27,600	294	-
		1,211,658	1,390,926	380	5,525
TOTAL LIABILITIES		1,982,174	2,124,750	380	5,525
TOTAL EQUITY AND LIABILITIES		3,561,150	2,666,325	1,115,453	475,438

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	The Group		The Company	
		1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000 (Restated)	1.1.2024 to 31.12.2024 RM'000	15.5.2023 to 31.12.2023 RM'000
Revenue	22	9,981,642	9,214,110	109,455	-
Cost of sales		(8,877,310)	(8,184,553)	-	-
Gross profit		1,104,332	1,029,557	109,455	-
Other operating income	23	814,770	665,752	-	-
Other income		30,424	21,282	123	1
		1,949,526	1,716,591	109,578	1
Administrative and other operating expenses		(1,245,903)	(1,134,349)	(10,535)	(4,594)
Finance costs		(45,032)	(44,030)	-	-
Profit/(Loss) before taxation	24	658,591	538,212	99,043	(4,593)
Income tax expense	26	(168,326)	(137,985)	(1,044)	-
Profit/(Loss) for the financial year/period		490,265	400,227	97,999	(4,593)
Other comprehensive expense:-					
<i>Item that may be reclassified subsequently to profit or loss:</i>					
- Currency translation differences for foreign operations		(25)	(4)	-	-
Total comprehensive income/(expense) for the financial year/period		490,240	400,223	97,999	(4,593)
Profit/(Loss) for the financial year/period attributable to owners of the Company		490,265	400,227	97,999	(4,593)
Total comprehensive income/(expense) attributable to owners of the Company		490,240	400,223	97,999	(4,593)
Basic earnings per ordinary share (sen)	27	5.95	84.35		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Group	Note	← Non-Distributable →			Distributable		Total equity RM'000
		Share capital RM'000	Invested equity RM'000	Merger deficit RM'000	Currency translation reserve RM'000	Retained profits RM'000	
Balance at 1 January 2023		-	17,500	-	-	614,352	631,852
Profit for the financial year		-	-	-	-	400,227	400,227
Other comprehensive expense for the financial year:-							
Currency translation differences for foreign operations		-	-	-	(4)	-	(4)
Total comprehensive income for the financial year		-	-	-	(4)	400,227	400,223
Issuance of shares		#	-	-	-	-	#
Effect of restructuring exercise		474,506	(17,500)	(457,006)	-	-	-
Dividends	28	-	-	-	-	(490,500)	(490,500)
Total transactions with owners		474,506	(17,500)	(457,006)	-	(490,500)	(490,500)
Balance at 31 December 2023/ 1 January 2024		474,506	-	(457,006)	(4)	524,079	541,575
Profit for the financial year		-	-	-	-	490,265	490,265
Other comprehensive expense for the financial year:-							
Currency translation differences for foreign operations		-	-	-	(25)	-	(25)
Total comprehensive income for the financial year		-	-	-	(25)	490,265	490,240
New shares issued by the Company for the public issue		660,000	-	-	-	-	660,000
New shares issuance expenses for the public issue		(12,839)	-	-	-	-	(12,839)
Dividends	28	-	-	-	-	(100,000)	(100,000)
Total transactions with owners		647,161	-	-	-	(100,000)	547,161
Balance at 31 December 2024		1,121,667	-	(457,006)	(29)	914,344	1,578,976

- denotes RM100

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

The Company	Note	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
At date of incorporation		#	-	#
Loss (representing total comprehensive expense) for the financial period		-	(4,593)	(4,593)
Effect of restructuring exercise		474,506	-	474,506
Total transactions with owners		474,506	-	474,506
Balance at 31 December 2023/1 January 2024		474,506	(4,593)	469,913
Profit (representing total comprehensive income) for the financial year		-	97,999	97,999
New shares issued by the Company for the public issue		660,000	-	660,000
New shares issuance expenses for the public issue		(12,839)	-	(12,839)
Dividends	28	-	(100,000)	(100,000)
Total transactions with owners		647,161	(100,000)	547,161
Balance at 31 December 2024		1,121,667	(6,594)	1,115,073

- denotes RM100

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	The Group		The Company	
	1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000	1.1.2024 to 31.12.2024 RM'000	15.5.2023 to 31.12.2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) before taxation	658,591	538,212	99,043	(4,593)
Adjustments for:-				
Amortisation of trademarks	1	#	-	-
Depreciation of property and equipment	72,787	66,847	-	-
Depreciation of right-of-use assets	173,187	155,356	-	-
Equipment written off	@	8	-	-
Interest expense of financial liabilities that are not at fair value through profit or loss	2,956	3,093	-	-
Interest expense on lease liabilities	42,076	40,937	-	-
Inventories written off	18,389	14,335	-	-
Dividend income	-	-	(105,000)	-
Gain on derecognition due to lease termination	(812)	(113)	-	-
Gain on disposal of equipment	(815)	(348)	-	-
Interest income of financial assets that are not at fair value through profit or loss	(8,523)	(1,390)	(123)	-
Reversal of provision for restoration costs	(200)	(89)	-	-
Operating profit/(loss) before working capital changes	957,637	816,848	(6,080)	(4,593)
Increase in inventories	(183,052)	(95,688)	-	-
Increase in trade and other receivables	(9,779)	(6,880)	(5)	(1)
(Decrease)/Increase in trade and other payables	(93,790)	224,429	(174)	260
Increase/(Decrease) in contract liability	914	(215)	-	-
Decrease/(Increase) in net amount owing by related parties	28,341	(12,814)	-	-
Cash generated from/(used in) operations and balance carried forward	700,271	925,680	(6,259)	(4,334)

@ - denotes RM6

- denotes RM359

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

	Note	The Group		The Company	
		1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000	1.1.2024 to 31.12.2024 RM'000	15.5.2023 to 31.12.2023 RM'000
Cash generated from/(used in) operations and balance brought forward		700,271	925,680	(6,259)	(4,334)
Interest paid		(44,250)	(43,356)	-	-
Income tax paid		(167,493)	(140,516)	(750)	-
Net cash generated from/(used in) operating activities		488,528	741,808	(7,009)	(4,334)
CASH FLOWS FROM INVESTING ACTIVITIES					
Advances to related parties		(38)	(204)	-	-
Advances to subsidiaries		-	-	(611)	(130)
Additional investment in existing subsidiaries		-	-	(639,300)	(327)
Dividend income received from subsidiaries		-	-	105,000	-
Interest received		6,012	1,390	123	-
Purchase of property and equipment	29	(170,733)	(160,209)	-	-
Acquisition of right-of-use assets	29	(2,174)	(380)	-	-
Acquisition of trademarks		(3)	(5)	-	-
Proceeds from disposal of equipment		1,313	348	-	-
Placement of fixed deposits with tenure more than 3 months		(200,000)	-	-	-
Net cash used in investing activities		(365,623)	(159,060)	(534,788)	(457)
CASH FLOWS FROM FINANCING ACTIVITIES					
(Repayment to)/Advances from related parties		(42)	3,996	-	-
(Repayment to)/Advances from a subsidiary		-	-	(4,854)	4,854
(Repayment to)/Advances from a director		(411)	411	(411)	411
Dividends paid		(200,000)	(390,500)	(100,000)	-
Payment of shares issuance expenses		(12,839)	-	(12,839)	-
Proceeds from public issue		660,000	-	660,000	-
Repayment of lease liabilities	29	(160,553)	(139,540)	-	-
Repayment of term loans	29	(48,506)	(4,596)	-	-
Subscriber shares		-	#	-	#
Net cash generated from/(used in) financing activities		237,649	(530,229)	541,896	5,265
Net increase in cash and cash equivalents		360,554	52,519	99	474
Cash and cash equivalents brought forward		137,571	85,056	474	-
Currency translation differences		(25)	(4)	-	-
Cash and cash equivalents carried forward	13	498,100	137,571	573	474

- denotes RM100

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The Company was incorporated in Malaysia as a private limited liability company. On 29 January 2024, the Company was converted to a public limited liability company. Subsequently, the Company assumed its current name of 99 Speed Mart Retail Holdings Berhad and was listed on the Main Market of Bursa Malaysia Securities Berhad on 9 September 2024.

The registered office of the Company is located at 12th Floor, Menara Symphony, No.5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan and its principal place of business is located at Lot PT 2811, Jalan Angsa, Taman Berkeley, 41150 Klang, Selangor Darul Ehsan.

99 Speed Mart Retail Holdings Berhad is principally engaged in the business of investment holding and providing management services. The details of the subsidiaries are set out in Note 5 to the financial statements.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements are presented in Ringgit Malaysia (“**RM**”), which is the Group’s and the Company’s functional and presentation currency and has been rounded to the nearest thousand (“**RM’000**”), unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 21 April 2025.

2. HOLDING COMPANY

The holding company is Lee YG Holdings Sdn. Bhd. (formerly known as 99 IMall Sdn. Bhd.), a company incorporated in Malaysia on 16 May 2017.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of Preparation of Financial Statements

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“**MFRSs**”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

3.1 Basis of Preparation of Financial Statements *cont'd*

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company, except for:-

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The Group has adopted the Amendments to MFRS 107 and MFRS 7 Supplier Finance Arrangements. The amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangements on an entity's liabilities and cash flows and on an entity's exposure to liquidity risk.

The Group participates in a supplier financing arrangement for which the new disclosures will apply. The new disclosures are disclosed in Note 19 to the financial statements.

The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
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
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

3.2 Basis of Consolidation

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

3.3 Investments in Subsidiaries

Investments in subsidiaries which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

3.4 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Freehold land and capital work-in-progress are not depreciated. Other property and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets using the following annual rates:-

Buildings	2%
Furniture, fittings and office equipment	10% - 33%
Motor vehicles	10% - 20%
Racks, roll cages and shop equipment	10% - 20%
Renovation	10% - 20%
Signboards	10%
Solar system	6% - 10%

The residual value, useful life and depreciation method of an asset are reviewed at least at the end of each reporting period and any changes in expectations from previous estimates are accounted for prospectively as changes in accounting estimates.

Fully depreciated equipment are retained in the financial statements until they are no longer in use in respect of these equipment.

3.5 Inventories

Inventories are stated at the lower of cost (determined principally on the first-in, first-out basis) and net realisable value. Cost consists of all costs of purchase, and incidentals incurred in bringing the inventories to their present location and condition.

3.6 Financial Assets

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

3.7 Financial Liabilities

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

3.8 Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount financial guarantee initially recognised less cumulative amortisation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

3.9 Share Capital

Ordinary shares are classified as equity. Transaction costs that relate to the issue of new shares are accounted for as a deduction from equity. The ordinary shares are not remeasured subsequently.

3.10 Right-of-use Assets and Lease Liabilities

Short-term Leases and Leases of Low-value Assets

The Group applies the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

3.11 Revenue from Contracts with Customers

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

Sale of Goods

Revenue from sale of goods is recognised at a point in time when control of the goods has been transferred to the customers, which coincides with the delivery of goods and acceptance by customers.

“Speedpoint Services” Commission Income

The Group acts as an agent in providing “Speedpoint 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 the income at the net amount that it retains for its agency services.

Management Fee

Management fee is recognised in the period in which the services are rendered.

Dividend Income

Dividend income is recognised when the right to receive dividend payment is established.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION *cont'd*

3.12 Purchase Incentives and Rebates

The Group receives incentives and rebates from suppliers primarily target incentives, prompt payment discounts and supplier fund. Rebates are recognised to statements of profit or loss and other comprehensive income when the Group achieved the purchase targets 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 cost of goods sold when the goods are sold. Rebates and discounts for unsold goods are deducted against inventories and shall be recognised to the statements of profit or loss and other comprehensive income when the goods are subsequently sold.

3.13 Other Operating Income

The components of other operating income mainly comprise product display allowance, distribution centres allowance and marketing allowance for specific products. These other operating income are recognised to the statements of profit or loss and other comprehensive income when the performance obligations have been fulfilled by the Group in accordance with the terms as stipulated in the agreements with vendors.

4. JUDGEMENTS AND ESTIMATION UNCERTAINTY

Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not exercised. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Sources of Estimation Uncertainty

The key assumptions about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:-

Impairment of Non-financial Assets

The Group reviewed its non-financial assets for indications of impairment and where such indications exist, the Group performed impairment test which involved significant judgements and estimation uncertainty in making key assumptions about future market and economic conditions, growth rates, profit margins, discount rate, etc. Possible changes in these estimates may result in revisions to the carrying amounts of non-financial assets.

Provision for Restoration Costs

The Group estimates provision for restoration costs based on the best estimate of future costs and the economic life of the affected assets. The estimated provision for restoration costs is reviewed periodically and is updated if expectations differ from previous estimates due to changes in cost factors. Any changes in these accounting estimates will affect the carrying amount of provision for restoration costs as disclosed in Note 18 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

4. JUDGEMENTS AND ESTIMATION UNCERTAINTY *cont'd*

Sources of Estimation Uncertainty *cont'd*

Discount Rates Used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly 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 incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2024	2023
	RM'000	RM'000
Unquoted shares, at cost	474,833	474,833
Share application monies	639,300	-
	1,114,133	474,833

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Ownership Interest		Principal Activity
		2024	2023	
		%	%	
99 Speed Mart Sdn. Bhd.	Malaysia	100	100	Retail of consumable merchandise and other household products via its network of "mini mart" outlets
99 Speed Mart (East Malaysia) Sdn. Bhd.	Malaysia	100	100	Retail of consumable merchandise and other household products via its network of "mini mart" outlets
Yiwu J-Jade Trading Co., Ltd. #	China	100	100	Investment holding company
Yiwu Speed Mart Import & Export Co., Ltd. ^ #	China	100	100	Exporting of consumable merchandise and other household products

^ - held through Yiwu J-Jade Trading Co., Ltd.

- not audited by Crowe Malaysia PLT.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

5. INVESTMENTS IN SUBSIDIARIES *cont'd*

- (a) In previous financial year, the Company entered into a conditional share purchase agreement with two of the directors of the Company to acquire entire equity interest in 99 Speed Mart Sdn. Bhd. and 99 Speed Mart (East Malaysia) Sdn. Bhd. which was completed and the said companies became subsidiaries of the Company.
- (b) During the current financial year, the Company has advanced RM511,500,000 and RM127,800,000 as share application monies for the additional investments in 99 Speed Mart Sdn. Bhd. and 99 Speed Mart (East Malaysia) Sdn. Bhd. respectively, its wholly owned subsidiaries. These funds represent the Company's commitment to increase its investments in respective subsidiaries and the allotment of shares by the said subsidiaries was completed on 28 February 2025.

6. PROPERTY AND EQUIPMENT

2024	At 1.1.2024	Additions	Transfer	Disposals	Write-offs	Depreciation	Adjustment	At 31.12.2024
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Carrying Amount								
Freehold land	89,274	7,889	-	-	-	-	-	97,163
Buildings	146,599	5,147	-	-	-	(3,285)	(938)	147,523
Furniture, fittings and office equipment	51,990	28,313	-	-	-	(19,014)	-	61,289
Motor vehicles	12,102	28,826	-	(498)	#	(4,571)	(47)	35,812
Racks, roll cages and shop equipment	78,439	43,127	1,848	*	-	(27,083)	-	96,331
Renovation	79,604	21,487	-	-	-	(15,401)	-	85,690
Signboards	15,567	7,729	-	-	-	(3,042)	-	20,254
Solar system	2,851	2,104	-	-	-	(391)	-	4,564
Capital work-in-progress	3,019	26,483	(1,848)	-	-	-	-	27,654
	479,445	171,105	-	(498)	#	(72,787)	(985)	576,280

* - denotes (RM2)

- denotes (RM6)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

6. PROPERTY AND EQUIPMENT *cont'd*

2023 The Group	At	Additions	Transfer	Disposals	Write-offs	Depreciation	At
	1.1.2023						31.12.2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Carrying Amount							
Freehold land	54,521	34,753	-	-	-	-	89,274
Buildings	125,291	11,318	12,889	-	-	(2,899)	146,599
Furniture, fittings and office equipment	45,465	23,115	-	-	-	(16,590)	51,990
Motor vehicles	7,378	7,954	-	@	(8)	(3,222)	12,102
Racks, roll cages and shop equipment	61,281	43,278	1,349	*	-	(27,469)	78,439
Renovation	73,123	20,422	-	-	-	(13,941)	79,604
Signboards	12,673	5,412	-	-	-	(2,518)	15,567
Solar system	854	1,523	682	-	-	(208)	2,851
Capital work-in-progress	5,505	12,434	(14,920)	-	-	-	3,019
	386,091	160,209	-	#	(8)	(66,847)	479,445

@ - denotes (RM10)

* - denotes (RM1)

- denotes (RM11)

The Group	At Cost	Accumulated Depreciation	Carrying Amount
	RM'000	RM'000	RM'000
At 31.12.2024			
Freehold land	97,163	-	97,163
Buildings	168,037	(20,514)	147,523
Furniture, fittings and office equipment	192,699	(131,410)	61,289
Motor vehicles	64,120	(28,308)	35,812
Racks, roll cages and shop equipment	320,571	(224,240)	96,331
Renovation	194,657	(108,967)	85,690
Signboards	40,142	(19,888)	20,254
Solar system	5,377	(813)	4,564
Capital work-in-progress	27,654	-	27,654
	1,110,420	(534,140)	576,280

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

6. PROPERTY AND EQUIPMENT *cont'd*

The Group	At Cost RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
At 31.12.2023			
Freehold land	89,274	-	89,274
Buildings	163,828	(17,229)	146,599
Furniture, fittings and office equipment	164,386	(112,396)	51,990
Motor vehicles	40,616	(28,514)	12,102
Racks, roll cages and shop equipment	275,672	(197,233)	78,439
Renovation	173,170	(93,566)	79,604
Signboards	32,413	(16,846)	15,567
Solar system	3,273	(422)	2,851
Capital work-in-progress	3,019	-	3,019
	945,651	(466,206)	479,445

The carrying amounts of properties pledged to licensed banks as security for credit facilities granted to the Group are as follows:-

	2024 RM'000	2023 RM'000
Freehold land	17,902	31,315
Buildings	52,696	76,219
Capital work-in-progress	-	1,877

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

7. RIGHT-OF-USE ASSETS

2024						
The Group	At 1.1.2024	Additions	Derecognition due to lease termination	Modification and reassessment	Depreciation	At 31.12.2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Carrying Amount						
Leasehold land	43,248	2,174	-	-	(636)	44,786
Retail outlets, hostels and warehouses	730,962	100,526	(4,380)	166,323	(172,551)	820,880
	774,210	102,700	(4,380)	166,323	(173,187)	865,666
2023						
The Group	At 1.1.2023	Additions	Derecognition due to lease termination	Modification and reassessment	Depreciation	At 31.12.2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Carrying Amount						
Leasehold land	43,478	380	-	-	(610)	43,248
Retail outlets, hostels and warehouses	692,726	98,467	(1,065)	95,580	(154,746)	730,962
	736,204	98,847	(1,065)	95,580	(155,356)	774,210

- (a) The Group has lease contracts for leasehold land, retail outlets, hostels and warehouses used in its operations. Their lease terms (include extension options) are appended below:-

	2024 Years	2023 Years
Leasehold land	32 to 869	40 to 869
Retail outlets, hostels and warehouses	2 to 10	2 to 10

- (b) The Group also has leases with lease terms of 12 months or less and leases of office equipment with low value. The Group has applied the 'short-term lease' and 'leases of low-value assets' recognition exemptions for these leases.
- (c) The Group has lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the portfolio of leased asset and align with the Group's business needs. Management exercises judgement in determining whether these extension options are reasonably viable to be exercised.
- (d) Included in leasehold land was a total carrying amount of RM6,309,691 (2023 - RM30,813,978) which has been pledged to licensed banks as security for credit facilities granted to the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

8. INTANGIBLE ASSET

	The Group	
	2024	2023
Trademarks	RM'000	RM'000
Cost:-		
At 1 January	5	100
Additions during the financial year	3	5
Write off during the financial year	-	(100)
At 31 December	8	5
Accumulated amortisation:-		
At 1 January	#	(100)
Amortisation during the financial year	(1)	#
Write off during the financial year	-	100
At 31 December	(1)	#
Carrying amount	7	5

- denotes (RM359)

9. DEFERRED TAX ASSETS

The Group	At	Recognised in	At
	1.1.2024	Profit or Loss (Note 26)	31.12.2024
	RM'000	RM'000	RM'000
Deferred Tax Assets			
Property and equipment	43	(43)	-
Lease liabilities	189,127	23,145	212,272
	189,170	23,102	212,272
Deferred Tax Liabilities			
Property and equipment	-	(5,488)	(5,488)
Right-of-use assets	(172,911)	(21,173)	(194,084)
	(172,911)	(26,661)	(199,572)
	16,259	(3,559)	12,700

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

9. DEFERRED TAX ASSETS *cont'd*

The Group	At 1.1.2023 RM'000	Recognised in Profit or Loss (Note 26) RM'000	At 31.12.2023 RM'000
Deferred Tax Assets			
Property and equipment	2,335	(2,292)	43
Lease liabilities	177,526	11,601	189,127
	179,861	9,309	189,170
Deferred Tax Liability			
Right-of-use assets	(164,260)	(8,651)	(172,911)
	15,601	658	16,259

The deferred tax assets have been recognised by the Group on the basis of the Group's previous history of recording profits and to the extent that it is probable that future profits will be available against which the temporary differences can be utilised.

10. INVENTORIES

	The Group	
	2024 RM'000	2023 RM'000
At cost:-		
Goods held for resale	1,338,741	1,174,215
Goods-in-transit	301	164
	1,339,042	1,174,379
	1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000 (Restated)
Recognised in profit or loss:-		
Inventories written off	18,389	14,335
Inventories recognised as cost of sales	8,858,921	8,170,218

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

11. TRADE RECEIVABLES

	The Group	
	2024	2023
	RM'000	RM'000
Trade receivables:		
- Related parties ^(a)	5,401	32,458
- Unrelated parties	9,943	9,448
	15,344	41,906

^(a) being companies in which a director of the Group has substantial financial interests.

The Group determines credit risk concentrations in terms of counterparties. As at 31 December 2024, the Group did not have any major credit risk concentration relating to any individual customer or counterparty.

The trade receivables represent amounts owing from corporate customers and transactions conducted with business associates are generally from 1 to 30 days (2023 - 1 to 30 days) terms.

The Group uses past due information to assess the credit risk of trade receivables. The analysis by past due status (stated at gross) is as follows:-

	The Group	
	2024	2023
	RM'000	RM'000
Not past due	15,344	41,906

The Group determines that a trade receivable is credit-impaired when the customer is experiencing significant financial difficulty and has defaulted in payments. Unless otherwise demonstrated, the Group generally considers a default to have occurred when the trade receivable is more than 90 days past due. The gross carrying amount of a credit-impaired trade receivable is directly written off when there is no reasonable expectation of recovery. This normally occurs when there is reasonable proof of customer insolvency.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. Based on the low historical observed default rates (adjusted for forward-looking estimates), the expected credit losses on trade receivables are not considered to be material and hence, have not been recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other receivables:				
- Subsidiaries	-	-	741	130
- Related parties ^(a)	407	369	-	-
- Unrelated parties	2,143	1,684	6	1
- Interest income receivable	2,511	-	-	-
	5,061	2,053	747	131
Deposits	44,686	40,074	-	-
Prepayments	4,264	423	-	-
	54,011	42,550	747	131

^(a) being companies in which certain directors of the Group have substantial financial interests.

The currency profile of other receivables, deposits and prepayments is as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Chinese Yuan	181	116	132	130
Ringgit Malaysia	53,830	42,434	615	1
	54,011	42,550	747	131

Other Receivables

The amounts owing by subsidiaries and related parties are unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.

13. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	219,094	137,571	573	474
Highly liquid investment	279,006	-	-	-
Fixed deposits with a licensed bank	200,000	-	-	-
	698,100	137,571	573	474

The fixed deposits with a licensed bank of the Group at the end of the reporting period bore effective interest rates ranging from 4% to 4.11% (2023 - Nil) per annum. The fixed deposits have maturity periods ranging from 6 to 12 months (2023 - Nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

13. CASH AND CASH EQUIVALENTS *cont'd*

Highly liquid investments in money market funds managed by financial institutions that invest in low-risk instruments and are readily redeemable with insignificant risk of changes in value. Their fair values were directly measured using the unadjusted market values quoted by the financial institutions (i.e. Level 1 of the fair value hierarchy).

The currency profile of cash and cash equivalents is as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Chinese Yuan	527	371	5	5
Ringgit Malaysia	697,573	137,200	568	469
	698,100	137,571	573	474

For the purpose of statements of cash flows, cash and cash equivalents are presented net of fixed deposits with tenure more than three months as follows:-

	The Group		The Company	
	1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000	1.1.2024 to 31.12.2024 RM'000	15.5.2023 to 31.12.2023 RM'000
Cash and bank balances	219,094	137,571	573	474
Highly liquid investment	279,006	-	-	-
Fixed deposits with a licensed bank	200,000	-	-	-
	698,100	137,571	573	474
Less: Fixed deposits with tenure more than 3 months	(200,000)	-	-	-
	498,100	137,571	573	474

Cash and cash equivalents are placed with reputable financial institutions with low credit risk. Accordingly, their expected credit losses are not considered to be material and hence, have not been recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

14. SHARE CAPITAL

	The Group/The Company			
	2024	2023	2024	2023
	Number of Shares (‘000)		RM’000	RM’000
<u>Issued and Fully Paid-up:-</u>				
Ordinary Shares				
At 1 January/15 May 2023 (date of incorporation)	474,506	@	474,506	#
Issuance of new shares:				
- acquisition of subsidiaries	-	474,506	-	474,506
- subdivision of shares	7,525,494	-	-	-
- public issue	400,000	-	660,000	-
- shares issuance expenses	-	-	(12,839)	-
At 31 December	8,400,000	474,506	1,121,667	474,506

@ - denotes 100

- denotes RM100

- (a) On 20 May 2024, the Company carried out a subdivision of 1 existing ordinary share into approximately 16.859625 subdivided ordinary shares. Upon completion of the Subdivision, the total number of ordinary shares increased from 474,506,402 to 8,000,000,000.

On 9 September 2024, the Company increased its issued and paid-up share capital from 8,000,000,000 to 8,400,000,000 by the issuance of 400,000,000 new ordinary shares at an issue price at RM1.65 per ordinary share, as part of the listing scheme of the Company on Main Market of Bursa Malaysia Securities Berhad.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

- (b) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

15. RESERVES

	The Group	
	2024	2023
	RM’000	RM’000
Merger deficit	457,006	457,006
Currency translation reserve	29	4
	457,035	457,010

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

15. RESERVES *cont'd*

Merger Deficit

The merger deficit represents the excess of the carrying value of the investments in subsidiaries over the share capital of the Company's subsidiaries upon consolidation under the merger accounting principles.

Currency Translation Reserve

The currency translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currency is different from the Group's presentation currency.

16. TERM LOANS

	The Group	
	2024	2023
	RM'000	RM'000
<u>Secured</u>		
Term loans (floating rate)	3,429	51,935
Disclosed as:		
- Current liabilities	3,429	4,670
- Non-current liabilities	-	47,265
	3,429	51,935

The term loans are secured by ways of:-

- (a) a first party legal charge over a property belonging to the Group; and
- (b) a personal guarantee granted by a director of the Company.

The effective interest rate of term loan is 4.20% (2023 - 4.20% to 5.35%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

16. TERM LOANS *cont'd*

Term loans are repayable over 8 to 15 years. The repayment analysis is as follows:-

	The Group	
	2024	2023
	RM'000	RM'000
Gross loan instalments:		
- Within 1 year	3,455	6,350
- Later than 1 year and not later than 2 years	-	6,350
- Later than 2 years and not later than 5 years	-	18,794
- Later than 5 years	-	28,731
Total contractual undiscounted cash flows	3,455	60,225
Future finance charges	(26)	(8,290)
Present value of term loans:		
- Within 1 year	3,429	4,670
- Later than 1 year and not later than 2 years	-	4,814
- Later than 2 years and not later than 5 years	-	14,635
- Later than 5 years	-	27,816
	3,429	51,935

The fair value of term loans is measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2 of the fair value hierarchy). The fair value measured is considered to be reasonably close to the carrying amounts reported as the observable current market interest rates also approximated to the effective interest rates of term loans.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

17. LEASE LIABILITIES

	The Group	
	2024	2023
	RM'000	RM'000
Gross lease liabilities:		
- Within 1 year	214,256	191,703
- Later than 1 year and not later than 5 years	745,667	694,903
- Later than 5 years	39,061	3,505
Total contractual undiscounted cash flows	998,984	890,111
Future finance charges	(114,519)	(102,082)
Present value of lease liabilities:		
- Within 1 year	172,638	154,909
- Later than 1 year and not later than 5 years	673,489	629,691
- Later than 5 years	38,338	3,429
	884,465	788,029
Disclosed as:		
- Current liabilities	172,638	154,909
- Non-current liabilities	711,827	633,120
	884,465	788,029

The movements of lease liabilities are as follows:-

	The Group	
	2024	2023
	RM'000	RM'000
At 1 January	788,029	739,689
Additions during the financial year	95,858	93,478
Changes due to lease modification and reassessment	166,323	95,580
Changes due to lease termination	(5,192)	(1,178)
Interest expense recognised in profit or loss	42,076	40,937
Repayment of principal	(160,553)	(139,540)
Repayment of interest expense	(42,076)	(40,937)
At 31 December	884,465	788,029

The incremental borrowing rate applied to lease liabilities is 5.15% (2023 - 5.15%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

18. PROVISION FOR RESTORATION COSTS

	The Group	
	2024	2023
	RM'000	RM'000
At 1 January	53,439	47,865
Provision made during the financial year	4,668	4,989
Provision reversed during the financial year	(200)	(89)
Unwinding of discount factor	782	674
At 31 December	58,689	53,439

Under lease arrangements, the Group has an obligation to dismantle and restore those leased retail outlets at the end of the lease terms to an acceptable condition consistent with the lease agreements.

The provisions are estimated using the assumption that decommissioning, removal and restoration will only take place upon expiry of the lease terms 6 years (2023 - 6 years). The discount rate and inflation rate used to determine the obligation as at the reporting date were 3.60% and 2.70% (2023 - 3.60% and 2.70%) respectively.

While the provisions are based on the best estimate of future costs and the economic life of the affected assets, there is uncertainty regarding both the amount and timing of incurring these costs. All the estimates are reviewed on an annual basis or more frequently, when there is an indication of a material change.

19. TRADE PAYABLES

	The Group	
	2024	2023
	RM'000	RM'000
Related parties ^(a)	14,477	13,193
Unrelated parties	921,892	968,947
	936,369	982,140

^(a) being companies in which certain directors or their close family members have substantial financial interests.

The normal trade credit terms granted to the Group ranged from 7 to 90 days (2023 - 7 to 90 days).

Supplier financing arrangement

The Group participates in a supplier financing arrangement whereby a supplier may elect to receive early payment of its invoice from a bank. Under the arrangement, the bank agrees to pay amounts to a participating supplier in respect of invoices owed by the Group and receives settlement from the Group at a later date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

19. TRADE PAYABLES *cont'd*

Supplier financing arrangement *cont'd*

The Group has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability was substantially modified on entering into the arrangement. From the Group's perspective, the arrangement does not extend payment terms beyond the normal terms agreed with other suppliers that are not participating. The Group does not incur bank interest on the amount due to the supplier. Therefore, the amount under the supplier financing arrangement is disclosed within trade payables, as the nature and function of the financial liability remain the same as other trade payables. However, the disaggregated amount is disclosed separately in the notes. The payable amount under the supplier financing arrangement is as follows:-

	The Group	
	2024	2023
	RM'000	RM'000
Trade payable under a supplier financing arrangement, paid by the bank	72,351	70,982

Range of payment due dates (after invoice date)

	The Group	
	2024	2023
	Days	Days
Trade payable under a supplier financing arrangement	60	60
Comparable trade payables that are not under part of supplier financing arrangement	7 - 90	7 - 90

The payments to the bank are classified as operating cash flows because they form part of the Group's normal operating cycle. Payments made by the bank to a supplier during the financial year are considered non-cash transactions, amounted to RM720,077,441 (2023 - RM1,155,981,231).

20. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Other payables:				
- Subsidiary	-	-	-	4,854
- Related parties ^(a)	4,343	4,385	-	-
- Director	-	411	-	411
- Unrelated parties	27,419	42,181	31	232
- Dividend payable	-	100,000	-	-
	31,762	146,977	31	5,497
Accruals	39,160	72,118	55	28
	70,922	219,095	86	5,525

^(a) being companies in which certain directors or their close family members have substantial financial interests.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

20. OTHER PAYABLES AND ACCRUALS *cont'd*

The currency profile of other payables and accruals is as follows:-

	The Group		The Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Chinese Yuan	6	39	-	-
Ringgit Malaysia	70,916	219,056	86	5,525
	70,922	219,095	86	5,525

The amount owing to related parties is unsecured, interest-free advances granted to the Group. The amount owing is repayable on demand and is to be settled in cash.

21. CONTRACT LIABILITY

	The Group	
	2024	2023
	RM'000	RM'000
Unutilised vouchers	3,426	2,512

The contract liability primarily relates to the unutilised cash vouchers as at end of each reporting period which revenue is recognised at a point in time upon redemption.

The following table shows reconciliation from the opening balance to the closing balance for unutilised vouchers:-

	The Group	
	2024	2023
	RM'000	RM'000
At 1 January	2,512	2,727
Additions during the financial year	15,827	7,332
Redemption/Expiry	(14,913)	(7,547)
At 31 December	3,426	2,512

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

22. REVENUE

	The Group		The Company	
	1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000 (Restated)	1.1.2024 to 31.12.2024 RM'000	15.5.2023 to 31.12.2023 RM'000
<u>Revenue from contracts with customers:-</u>				
Revenue recognised at a point in time:				
- Sale of goods	9,977,584	9,210,505	-	-
- Provision of in-store services - "Speedpoint Services" commission income	4,058	3,605	-	-
	9,981,642	9,214,110	-	-
<u>Revenue from other sources:-</u>				
- Dividend income from subsidiaries	-	-	105,000	-
- Management fee	-	-	4,455	-
	-	-	109,455	-
	9,981,642	9,214,110	109,455	-

Disaggregation of revenue from contracts with customers

Group

Information about disaggregation of revenue have not been disclosed as the Group generates revenue principally from retail of consumables merchandise and other household products within Malaysia.

Company

Information about disaggregation of revenue have not been disclosed as the Company derives revenue mainly from dividend income and management fee received from subsidiaries within Malaysia.

23. OTHER OPERATING INCOME

Other operating income mainly comprises product display allowance, distribution centres allowance, marketing allowance received and receivable during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

24. PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after charging/(crediting):-

	The Group		The Company	
	1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000	1.1.2024 to 31.12.2024 RM'000	15.5.2023 to 31.12.2023 RM'000
Amortisation of trademarks	1	#	-	-
Auditors' remuneration:				
- Statutory audit	588	535	38	15
- Non-statutory audit	1,241	400	833	400
Depreciation of property and equipment	72,787	66,847	-	-
Depreciation of right-of-use assets	173,187	155,356	-	-
Equipment written off	@	8	-	-
Interest expense on lease liabilities	42,076	40,937	-	-
Interest expense of financial liabilities that are not at fair value through profit or loss:				
- banker acceptance	-	32	-	-
- term loans	2,171	2,385	-	-
- unwinding of discount on provision for restoration costs	782	674	-	-
- others	3	2	-	-
Inventories written off	18,389	14,335	-	-
Lease expense relating to:				
- short-term leases	598	96	-	-
- leases of low-value assets	97	109	-	-
Personnel expenses (Note 25)	729,619	663,676	4,459	13
Dividend income	-	-	(105,000)	-
Gain on derecognition due to lease termination	(812)	(113)	-	-
Gain on disposal of equipment	(815)	(348)	-	-
Interest income of financial assets that are not at fair value through profit or loss	(8,523)	(1,390)	(123)	-
Operating lease income	(552)	(595)	-	-
Reversal of provision for restoration costs	(200)	(89)	-	-

@ - denotes RM6

- denotes RM359

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

25. PERSONNEL EXPENSES

	The Group		The Company	
	1.1.2024 to 31.12.2024	1.1.2023 to 31.12.2023	1.1.2024 to 31.12.2024	15.5.2023 to 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Directors of the Company:				
- Fee	741	1,813	741	13
- Short-term employee benefits	2,600	817	1,657	-
- Defined contribution plan	192	81	134	-
	3,533	2,711	2,532	13
Employees:				
- Short-term employee benefits	659,345	603,824	1,743	-
- Defined contribution plan	66,741	57,141	184	-
	726,086	660,965	1,927	-
	729,619	663,676	4,459	13

Included in the employee benefits expense were the remuneration paid to key management personnel from the Group and the Company amounted to RM2,771,743 (2023 - RM2,046,765) and RM1,927,190 (2023 - Nil) respectively.

The estimated monetary value of benefits received or receivable by certain directors and key management personnel otherwise than in cash from the Group and the Company amounted to RM104,333 (2023 - RM66,150) and RM76,250 (2023 - Nil) respectively.

26. INCOME TAX EXPENSE

	The Group		The Company	
	1.1.2024 to 31.12.2024	1.1.2023 to 31.12.2023	1.1.2024 to 31.12.2024	15.5.2023 to 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Current tax:				
- for the financial year	165,508	138,643	1,044	-
- (over)/underprovision in the previous financial year/period	(741)	-	@	-
	164,767	138,643	1,044	-
Deferred tax (Note 9):				
- for the financial year	3,087	(679)	-	-
- underprovision in the previous financial year	472	21	-	-
	3,559	(658)	-	-
Income tax expense	168,326	137,985	1,044	-

@ - denotes RM141

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

26. INCOME TAX EXPENSE *cont'd*

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000	1.1.2024 to 31.12.2024 RM'000	15.5.2023 to 31.12.2023 RM'000
Profit/(Loss) before taxation	658,591	538,212	99,043	(4,593)
Tax at the statutory tax rate of 24%	158,062	129,171	23,770	(1,102)
Non-deductible expenses	10,834	9,138	2,474	1,102
Non-taxable income	(301)	(345)	(25,200)	-
(Over)/underprovision of tax in the previous financial year/period:				
- current tax	(741)	-	@	-
- deferred tax	472	21	-	-
Income tax expense for the financial year/period	168,326	137,985	1,044	-

@ - denotes RM141

Domestic income tax is calculated at the Malaysian statutory tax of 24% of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in its respective jurisdiction.

27. EARNINGS PER SHARE

	The Group	
	1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000
Profit for the financial year attributable to the owners of the Company	490,265	400,227
Weighted average number of ordinary shares in issue ('000)	8,245,902	474,506
Basic earnings per ordinary share (sen)	5.95	84.35

The diluted earnings per share equals the basic earnings per share as the Company did not have any dilutive potential ordinary shares during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

28. DIVIDENDS

	The Group		The Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interim dividends of:				
<u>In respect of the financial year ended 31 December 2024:</u>				
- RM0.0125 per ordinary share ^(a)	100,000	-	100,000	-
<u>In respect of the financial year ended 31 December 2023:</u>				
99 Speed Mart Sdn. Bhd.				
- RM621 for every 150 ordinary shares ^(b)	-	62,100	-	-
- RM2,014 for every 150 ordinary shares ^(b)	-	201,400	-	-
- RM10 per ordinary share ^(b)	-	150,000	-	-
99 Speed Mart (East Malaysia) Sdn. Bhd.				
- RM30.80 per ordinary share ^(b)	-	77,000	-	-
	100,000	490,500	100,000	-

^(a) The dividends were paid to the shareholders of the Company prior to the IPO.

^(b) The dividends were paid to the shareholders of subsidiaries prior to the restructuring exercise.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

29. NOTES TO STATEMENTS OF CASH FLOWS

	The Group	
	1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000
Purchase of Property and Equipment		
Cost of property and equipment acquired	171,105	160,209
Deposit paid in previous financial year	(372)	-
Net cash disbursed	170,733	160,209
Acquisition of Right-of-use Assets		
Cost of right-of-use assets acquired	102,700	98,847
Acquisition of new leases	(95,858)	(93,478)
Provision for restoration costs	(4,668)	(4,989)
Net cash disbursed	2,174	380
Term Loans		
At 1 January	51,935	56,531
Repayments	(48,506)	(4,596)
At 31 December (Note 16)	3,429	51,935
Lease Liabilities		
At 1 January	788,029	739,689
Additions during the financial year	95,858	93,478
Changes due to lease modification and reassessment	166,323	95,580
Changes due to lease termination	(5,192)	(1,178)
Repayments	(160,553)	(139,540)
At 31 December (Note 17)	884,465	788,029

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

29. NOTES TO STATEMENTS OF CASH FLOWS *cont'd*

The total cash outflow for the leases is as follows:-

	The Group	
	1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000
Operating Activities		
Lease expense recognised in profit or loss (Note 24):		
- short-term leases	598	96
- leases of low-value assets	97	109
Interest portion of lease liabilities (Note 24)	42,076	40,937
Investing Activities		
Acquisition of right-of-use assets	2,174	380
Financing Activities		
Repayment of lease liabilities	160,553	139,540
	205,498	181,062

30. RELATED PARTY DISCLOSURES

Transactions with related parties during the financial year other than those disclosed elsewhere in the financial statements are as follows:-

	The Group	
	1.1.2024 to 31.12.2024 RM'000	1.1.2023 to 31.12.2023 RM'000
<u>Transactions with related parties in which certain directors have substantial financial interests:</u>		
- Administrative expenses	9,953	5,361
- Promotion expenses	-	4
- Professional fees	12	38
- Purchase of goods	84,288	61,760
- Purchase of equipment	4,009	2,351
- Lease expense	1,399	1,183
- Maintenance and merchant charges expense	4,666	3,505
- Marketing, commissions and incentives income received	(9,843)	(7,273)
- Disposal of equipment	(332)	-
- Operating lease income	(374)	(321)
- Sale of goods	(1,424)	(2,037)
- Sponsorship	(12)	(12)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

30. RELATED PARTY DISCLOSURES *cont'd*

Transactions with related parties during the financial year other than those disclosed elsewhere in the financial statements are as follows (Cont'd):-

	The Group	
	1.1.2024 to 31.12.2024	1.1.2023 to 31.12.2023
	RM'000	RM'000
<u>Transactions with related parties in which certain directors' close family members have substantial financial interests:</u>		
- Administrative expenses	147	157
- Printing and stationery	559	492
- Purchase of goods	98,896	90,726
- Purchase of equipment	3,333	1,547
- Transportation charges	312	338
- Lease expense	80	80
- Maintenance expense	13	3
- Incentive income received	(1,734)	(197)
- Sale of goods	(16)	-
- Sponsorship	(26)	(36)
<u>Transactions with certain directors:</u>		
- Lease expense	271	271
- Disposal of equipment	(210)	-
- Sale of goods	(52)	-

Transactions with subsidiaries during the financial year other than those disclosed elsewhere in the financial statements are as follows:-

	The Company	
	1.1.2024 to 31.12.2024	15.5.2023 to 31.12.2023
	RM'000	RM'000
<u>Transactions with fellow subsidiaries:</u>		
- Dividend income	105,000	-
- Management fee income	4,455	-

31. OPERATING SEGMENT AND GEOGRAPHICAL INFORMATION

Information about operating segment has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely retail of consumable merchandise and other household products.

Information about geographical areas has not been reported separately as the Group is primarily involved in business operations in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

32. FINANCIAL GUARANTEE CONTRACTS

The Group has entered into financial guarantee contracts to provide financial guarantees to financial institutions for credit facilities granted to a subsidiary up to a total limit of RM2,500,000 (2023 - RM10,350,000). As at the end of the reporting period, there is no utilisation of these credit facilities (2023 - RM4,873,137). No maturity analysis is presented for the financial guarantee contracts as the entire amount could be recalled at any time in the event of default by the subsidiary.

The aforementioned financial guarantee contracts should have been recognised in the statements of financial position in accordance with the recognition and measurement policies as stated in Note 3.8 to the financial statements. After considering that the probability of the subsidiary defaulting on the credit lines is remote, the financial guarantee contracts have not been recognised as the fair value on initial recognition is not expected to be material.

33. CAPITAL COMMITMENTS

	The Group	
	2024	2023
	RM'000	RM'000
Purchase of property and equipment	7,225	18,426
Construction of property	17,270	19,924

34. CONTINGENT LIABILITIES

The Group has bank guarantees of RM12,020,000 (2023 - RM18,020,400) as security deposits in favour of a utility provider.

35. FINANCIAL RISK MANAGEMENT

The activities of the Group and of the Company are exposed to certain financial risks, including credit risk, liquidity risk, currency risk and interest rate risk. The overall financial risk management objective of the Group and of the Company is to ensure that adequate financial resources are available for business development whilst minimising the potential adverse impacts of financial risks on its financial position, performance and cash flows.

The aforementioned financial risk management objective and its related policies and processes explained below have remained unchanged from the previous financial year.

Credit Risk

The Group's and the Company's exposure to credit risk arises mainly from receivables and deposits placed with financial institutions. The maximum credit risk exposure of these financial assets is best represented by their respective carrying amounts in the statements of financial position. The Group is also exposed to credit risk in respect of its financial guarantees provided for credit facilities granted to a subsidiary. The maximum credit risk exposure of these financial guarantees is the total utilisation of the credit facilities granted as disclosed in Note 32 to the financial statements.

The Group and the Company manage their credit risk exposure of receivables by assessing counterparties financial standings on an on-going basis, setting and monitoring counterparties limits and credit terms. The quantitative information about such credit risk exposure is disclosed in Notes 11 and 12 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

35. FINANCIAL RISK MANAGEMENT *cont'd*

Liquidity Risk

The Group's exposure to liquidity risk relates to its ability to meet obligations associated with financial liabilities as and when they fall due. The remaining contractual maturities of financial liabilities are disclosed in their respective notes.

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities whilst maintaining sufficient cash and the availability of funding through standby credit facilities.

Currency Risk

The Group and the Company are exposed to currency risk arises mainly from transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The major foreign currencies within the Group and the Company are Ringgit Malaysia ("RM") and Chinese Yuan ("RMB"), whereas the major foreign currency transacted is RMB.

The Group and the Company observe the movements in exchange rates and act accordingly to minimise its exposure to currency risk.

Any reasonably possible change in the foreign currency exchange rates at the end of the financial year against its functional currency does not have a material impact on the profit after taxation and equity of the Group and of the Company and hence, no sensitivity analysis is presented.

Interest Rate Risk

The Group's exposure to interest rate risk arises mainly from interest-bearing financial instruments, namely term loans and lease liabilities.

The Group observes the movements in interest rates and always strives to obtain the most favourable rates available for new financing or during repricing. It is also the Group's policy to maintain a mix of fixed and floating rate financial instruments as follows:-

	The Group	
	2024	2023
	RM'000	RM'000
Fixed rate instrument		
Financial liabilities	884,465	788,029
Floating rate instrument		
Financial liabilities	3,429	51,935

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

35. FINANCIAL RISK MANAGEMENT *cont'd*

Interest Rate Risk *cont'd*

For floating rate financial instrument measured at amortised cost, the following table demonstrates the sensitivity of profit or loss and equity to changes in interest rates that were reasonably possible at the end of the reporting period, with all other variables held constant:-

	The Group	
	(Decrease)/ Increase in Profit After Taxation 2024 RM'000	(Decrease)/ Increase in Profit After Taxation 2023 RM'000
Increase in interest rates by 100 basis points	(26)	(395)
Decrease in interest rates by 100 basis points	26	395

36. CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital to ensure that entities within the Group and the Company will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The debt-to-equity ratio of the Group and of the Company at the end of the reporting period is not presented as its cash and cash equivalents exceeded the total external borrowings.

There was no change in the approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

37. FINANCIAL INSTRUMENTS

37.1 Classification of Financial Instruments

	The Group		The Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Financial Assets				
<u>Amortised Cost</u>				
Trade receivables	15,344	41,906	-	-
Other receivables	5,061	2,053	747	131
Cash and cash equivalents	698,100	137,571	573	474
	718,505	181,530	1,320	605
Financial Liabilities				
<u>Amortised Cost</u>				
Trade payables	936,369	982,140	-	-
Other payables and accruals	70,922	219,095	86	5,525
Term loans	3,429	51,935	-	-
Lease liabilities	884,465	788,029	-	-
	1,895,185	2,041,199	86	5,525

37.2 Fair Value Information

At the end of the reporting period, there were no financial instruments carried at fair values in the statements of financial position.

The carrying amounts of the financial assets and financial liabilities are reasonable approximation of fair values 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 fair values of the term loans and lease liabilities are estimated by discounting expected future cash flows at market incremental lending rate for similar types of borrowings or leasing arrangements at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Cont'd

38. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 13 May 2024, the Group entered into a Sale and Purchase Agreement with a third party to acquire a piece of leasehold land with a double storey detached industrial building for a total purchase consideration of RM6,820,000. The acquisition was completed on 17 September 2024.
- (b) On 12 July 2024, the Group entered into a Sale and Purchase Agreement with third parties to acquire a piece of freehold land for a total purchase consideration of RM4,000,000. The acquisition was completed on 18 September 2024.
- (c) On 9 September 2024, the Company was listed on Main Market of Bursa Malaysia Securities Berhad with a public issue of 400,000,000 new ordinary shares in the Company and offer for sale by selling shareholders of up to 1,028,000,000 ordinary shares in the Company at a price of RM1.65 per share.
- (d) During the current financial year, the Company has advanced RM511,500,000 and RM127,800,000 as share application monies for the additional investments in 99 Speed Mart Sdn. Bhd. and 99 Speed Mart (East Malaysia) Sdn. Bhd. respectively, its wholly owned subsidiaries. These funds represent the Company's commitment to increase its investments in respective subsidiaries and the allotment of shares by the said subsidiaries was completed on 28 February 2025.

39. COMPARATIVE FIGURES

The Group

The following comparative figures have been reclassified to conform with the presentation of the current financial year:-

	As previously reported RM'000	As restated RM'000
<u>Statements of Profit or Loss and Other Comprehensive Income (Extract)</u>		
Revenue	9,210,505	9,214,110
Cost of sales	(8,369,058)	(8,184,553)
Other operating income	853,862	665,752

- (a) For the financial year ended 31 December 2023, target incentive income amounted to RM184,504,766 was recognised as a component of other operating income in the statements of profit or loss and other comprehensive income. This income is reclassified to set off against the cost of goods sold to be consistent with the current year's presentation.
- (b) For the financial year ended 31 December 2023, the "Speedpoint Services" commission income amounted to RM3,604,600 was recognised as a component of other operating income in the statements of profit or loss and other comprehensive income. This income is reclassified as revenue to be consistent with the current year's presentation.

The Company

The comparative figures of the Company are in respect of the financial period from 15 May 2023 (date of incorporation) to 31 December 2023. Consequently, the comparative figures for the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and their related notes are not comparable to that for the current 12-month period ended 31 December 2024.

LIST OF MATERIAL PROPERTIES OWNED BY THE GROUP

AS AT 31 DECEMBER 2024

No.	Address	Description of property/Existing use	Date of acquisition	Tenure/ Date of expiry of lease	Estimated age of building (years)	Built-up/ Land area (sq m.)	Net book value (RM'000)
1	H.S.(D) 110331, PT 2811, Seksyen 24, Bandar Klang, Daerah Klang, Negeri Selangor/ Lot PT 2811, Jalan Angsa, Taman Berkeley, 41150 Klang, Selangor	12-storey office building consisting of 1 storey semi-basement, 1 storey business space, 4-storey car park and 7-storey office space/ Headquarters of the Group	29.10.2009	Leasehold (99 years)/ 17.08.2104	15	4,316/ 1,439	15,760
2	Geran Mukim 22377, Lot 103609, Mukim Kapar, Daerah Klang, Negeri Selangor/ PT 33198, Batu 4, Jalan Kapar, 42100 Klang, Selangor	Single storey detached warehouse with an annexed 4-storey office building	08.12.2021	Freehold	3	3,650/ 5,326	5,762
3	H.S.(D) 136784, PT 129950, Mukim Klang, Daerah Klang, Negeri Selangor/ Lot 201, 202, 203, Jalan Seri Gambut 3, Kawasan 7, Bandar Putra Klang, 41100 Klang, Selangor	Single storey detached warehouse with a double storey office, guardhouse, waste chamber and electrical substation	17.07.2007	Freehold	17	4,510/ 9,776	7,562
4	Geran Mukim 916, Lot 5203, Mukim Kajang, Daerah Hulu Langat, Negeri Selangor/ Lot 5203, Jalan Perindustrian Balakong Jaya 1/3, Kawasan Perindustrian Balakong, 43300 Seri Kembangan, Selangor	Single storey detached warehouse with a double storey office, electrical substation and guardhouse	15.12.2009	Freehold	15	6,037/ 9,991	10,108
5	Geran 40102, Lot 4326, Mukim Serendah, Daerah Ulu Selangor, Negeri Selangor/ Lot 4326, Jalan Kampung Mohd Taib, Kawasan Industri Sungai Choh, 48000 Sungai Choh, Selangor	Single storey detached warehouse with mezzanine storage space	18.12.2013	Freehold	11	6,111/ 9,066	12,464

LIST OF MATERIAL PROPERTIES OWNED BY THE GROUP

AS AT 31 DECEMBER 2024

Cont'd

No.	Address	Description of property/Existing use	Date of acquisition	Tenure/ Date of expiry of lease	Estimated age of building (years)	Built-up/ Land area (sq m.)	Net book value (RM'000)
6	Pajakan Negeri 713, Lot 1616, Pekan Chembong, Daerah Rembau, Negeri Sembilan/ Lot 1616 PN 713, Jalan Perusahaan Utama, Kawasan Perindustrian Chembong, Pekan Chembong, 71300 Daerah Rembau, Negeri Sembilan	Single storey detached warehouse with a double storey office, guardhouse, waste chamber, electrical substation and other support facilities buildings	05.12.2014	Leasehold (99 years)/ 04.02.2084	10	9,323/ 67,938	14,098
7	Pajakan Negeri 214561, Lot 213095, Mukim Sungai Raya, Daerah Kinta, Negeri Perak/ Lot 213095, Jalan Industri 1/1, Kawasan Perindustrian Gopeng, 31600 Gopeng, Perak	Single storey detached warehouse with a double storey office, guardhouse, waste chamber, electrical substation and other support facilities buildings	30.03.2015	Leasehold (60 years)/ 28.09.2055	9	4,243/ 7,215	8,052
8	H.S.(D) 62609, PTD 29420, Mukim Tanjung Sembrong, Daerah Batu Pahat, Negeri Johor/ Lot 31723, Mukim Tanjung Sembrong, 83700 Daerah Batu Pahat, Johor	Single storey detached warehouse with a double storey office, guardhouse, waste chamber and other support facilities buildings	05.09.2014	Freehold	10	6,228/ 9,885	9,190
9	Geran Mukim 433, Lot 46222, Mukim Batu, Daerah Gombak, Negeri Selangor/ Lot 46222, Jalan Manggis, Batu 9, Sungai Tua, 68100 Batu Caves, Selangor	Single storey detached warehouse with 3-storey office, guardhouse, waste chamber, electrical substation and pumphouse	08.03.2018	Freehold	6	3,930/ 6,437	20,049
10	Pajakan Negeri 11945, Lot 20969, Mukim 13, Daerah Seberang Perai Tengah, Negeri Pulau Pinang/ Plot 22A, Taman Industri Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang	Single storey detached warehouse with a double storey office, guardhouse, waste chamber and electrical substation	30.05.2018	Leasehold (60 years)/ 12.06.2079	6	5,177/ 10,129	10,889

LIST OF MATERIAL PROPERTIES OWNED BY THE GROUP

AS AT 31 DECEMBER 2024

Cont'd

No.	Address	Description of property/Existing use	Date of acquisition	Tenure/ Date of expiry of lease	Estimated age of building (years)	Built-up/ Land area (sq m.)	Net book value (RM'000)
11	Geran Mukim 1184, Lot 6942, Mukim Tebrau, Daerah Johor Bahru, Negeri Johor/ Lot 6942, Jalan Seelong Jaya 6, Kampung Seelong Jaya, 81400 Seelong, Johor	Single storey detached warehouse, double storey office, guardhouse, waste chamber and other support facilities buildings	30.01.2015	Freehold	9	8,285/ 12,350	13,840
12	H.S.(D) 23594, PT 12077, Mukim Hutan Melintang, Daerah Bagan Datuk, Negeri Perak (an amalgamation of Geran No. 97909 Lot 12408, Geran No. 97910 Lot 12409 and Geran Mukim 97911 Lot 12410)/ Lot 12408, 12409 & 12410, Jalan Hutan Melintang, Batu 9, 36400 Hutan Melintang, Perak	Single storey detached warehouse with a double storey office, guardhouse, waste chamber, electrical substation, pumphouse and sprinkler tank	16.08.2019	Freehold	5	3,306/ 5,700	8,149
13	Pajakan Negeri 5500, Lot 74384, Mukim Kuala Kuantan, Daerah Kuantan, Negeri Pahang/ Lot 74384, Jalan Bandar Gambang Perdana 3, Gambang, 26300 Kuantan, Pahang	Single storey detached warehouse with a double storey office, guardhouse, waste chamber and pumphouse	20.12.2019	Leasehold (99 years)/ 19.08.2101	5	9,111/ 26,500	15,180
14	Pajakan Mukim 1934, Lot 21111, Mukim Merlimau, Daerah Jasin, Negeri Melaka/ Lot 5399 & 5400, Jalan Usaha 1, Fasa 3, Kawasan Perindustrian Merlimau, 77300 Merlimau, Melaka	Single storey detached warehouse, single storey office, single storey store and waste chamber	Lot 5399 - 20.10.2017 Lot 5400 - 26.10.2017	Leasehold (99 years)/ 20.07.2096	7	5,496/ 9,587	9,559
15	Geran 95705, Lot 26267, Bandar Sungai Petani, Daerah Kuala Muda, Negeri Kedah/ Plot 27, Kawasan Perindustrian Bukit Makmur, Sungai Lalang, 08000 Sungai Petani, Kedah	Single storey detached warehouse, single storey office and other support facilities buildings	16.07.2021	Freehold	3	6,780/ 10,920	16,778

LIST OF MATERIAL PROPERTIES OWNED BY THE GROUP

AS AT 31 DECEMBER 2024

Cont'd

No.	Address	Description of property/Existing use	Date of acquisition	Tenure/ Date of expiry of lease	Estimated age of building (years)	Built-up/ Land area (sq m.)	Net book value (RM'000)
16	Geran 53981, Lot 40374, Pekan Hicom, Daerah Petaling, Negeri Selangor/ No. 12(34), Persiaran Sabak Bernam, Seksyen 26, 40400 Shah Alam, Selangor	Single storey detached warehouse with single storey office space, guardhouse, electrical substation, pumphouse and waste chamber	14.09.2023	Freehold	1	7,137/ 13,062	44,534
17	Master Title Country Lease 015582153, Locality of Telipok, District of Kota Kinabalu, Sabah/ Lot No. 12, KKIP Industrial Zone 7 (IZ 7), Off Jalan 1, KKIP Timur, Kota Kinabalu Industrial Park, 88460 Kota Kinabalu, Sabah	Single storey detached warehouse with annexed 3-storey office/ Headquarters of 99 Speed Mart (East Malaysia) Sdn Bhd	27.12.2013	Leasehold (99 years)/ 31.12.2096	11	4,800/ 8,130	8,876
18	Master Title Country Lease 075396048, Locality of Mile 8, Labuk Road, District of Sandakan, Sabah/ Lot 075396048, Batu 8, Kampung Melayu, Jalan Labuk, 90000 Sandakan, Sabah	Single storey detached warehouse with a 3-storey office	05.12.2018	Leasehold (999 years)/ 09.07.2887	6	2,515/ 5,640	10,867
19	BP01240000367, Locality of Jalan Bandaraya, Marina Bay, District of Miri, Sarawak/ Lot 1245, Block 5, Kuala Baran Land District, Jalan Desa Senadin 1, 98100 Miri, Sarawak	Double storey detached industrial building with mezzanine storage space	13.05.2024	Leasehold (60 years)/ 14.08.2056	< 1 year	966/ 1,193	7,039
20	Pajakan Negeri 117751, Lot 115195, Mukim Dengkil, Daerah Sepang, Negeri Selangor	Proposed distribution centre, the construction of which is in progress and expected to be completed by Q2 2025	02.07.2021	Leasehold (99 years)/ 18.08.2114	N/A	N/A/ 15,483	16,436

ANALYSIS OF SHAREHOLDINGS

AS AT 28 MARCH 2025

Total Number of Issued Shares	:	8,400,000,000
Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Shareholders	%	No. of Shares Held	%
1 - 99	743	3.250	14,422	0.000
100 - 1,000	10,207	44.652	4,968,237	0.059
1,001 - 10,000	9,173	40.129	41,571,221	0.495
10,001 - 100,000	2,231	9.760	72,463,357	0.863
100,001 - 419,999,999*	503	2.200	1,587,862,694	18.903
420,000,000 and above**	2	0.009	6,693,120,069	79.680
TOTAL	22,859	100.00	8,400,000,000	100.00

Notes:

* Less than 5% of issued shares

** 5% and above of issued shares

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 28 MARCH 2025

Name of Substantial Shareholders	Direct Interest	No. of Ordinary Shares Held		%
		%	Indirect Interest	
Lee YG Holdings Sdn Bhd	4,325,999,092	51.500	-	-
Lee Thiam Wah	2,367,120,977	28.180	4,325,999,092 ^(a)	51.500

Note:

^(a) Deemed interested by virtue of his interests in Lee YG Holdings Sdn Bhd, pursuant to Section 8(4) of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS

AS AT 28 MARCH 2025
Cont'd

DIRECTORS' SHAREHOLDINGS

Name of Directors	No. of Ordinary Shares Held			
	Direct Interest	%	Indirect Interest	%
Dato' Chua Tia Guan	500,000	0.006	-	-
Lee Thiam Wah	2,367,120,977	28.180	4,325,999,092 ^(a)	51.500
Ng Lee Tieng	278,879,931	3.320	-	-
Lee Lay Liang	500,000	0.006	-	-
Ho Tat Heng	200,000	0.002	-	-
Nirmalah A/P V.Thurai	200,000	0.002	-	-
Serina Binti Abdul Samad	-	-	-	-
Dato' Abdul Latif Bin Abu Seman	-	-	-	-
Ting Seng Hook @ Ting Seng Hee	200,000	0.002	-	-
Lee Yan Zhong (Alternate Director to Lee Thiam Wah)	500,000	0.006	-	-
Leong Sau Chan (Alternate Director to Lee Lay Liang)	730,000	0.009	-	-

Note:

^(a) Deemed interested by virtue of his interests in Lee LYG Holdings Sdn Bhd, pursuant to Section 8(4) of the Companies Act 2016.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS AS AT 28 MARCH 2025

No.	Name of Shareholders	No. of Shares Held	%
1.	CIMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE LYG HOLDINGS SDN BHD (PB)	4,325,999,092	51.500
2.	CIMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE THIAM WAH (PB)	2,367,120,977	28.180
3.	CIMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG LEE TIENG (PB)	278,879,931	3.320
4.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	210,030,200	2.500
5.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (AHAM AM)	66,727,500	0.794
6.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA BHD	57,036,700	0.679
7.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	56,333,800	0.671
8.	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	47,313,500	0.563
9.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 19)	31,790,000	0.378
10.	CARTABAN NOMINEES (TEMPATAN) SDN BHD PAMB FOR PRULINK EQUITY FUND	28,766,600	0.342
11.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (RHB INV)	26,989,500	0.321

ANALYSIS OF SHAREHOLDINGS

AS AT 28 MARCH 2025

Cont'd

LIST OF THIRTY (30) LARGEST SHAREHOLDERS AS AT 28 MARCH 2025 *cont'd*

No.	Name of Shareholders	No. of Shares Held	%
12.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG VALUE FUND	22,000,000	0.262
13.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LSF)	21,001,000	0.250
14.	CARTABAN NOMINEES (TEMPATAN) SDN BHD PRUDENTIAL ASSURANCE MALAYSIA BERHAD FOR PRULINK STRATEGIC FUND	20,578,200	0.245
15.	PERTUBUHAN KESELAMATAN SOSIAL	20,000,000	0.238
16.	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	18,776,900	0.224
17.	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	17,086,200	0.203
18.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 3)	15,207,000	0.181
19.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	14,876,000	0.177
20.	CARTABAN NOMINEES (TEMPATAN) SDN BHD TMF TRUSTEES MALAYSIA BERHAD FOR AFFIN HWANG WHOLESALE EQUITY FUND 2	14,800,000	0.176
21.	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	14,509,500	0.173
22.	LEMBAGA TABUNG ANGKATAN TENTERA	14,340,700	0.171
23.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LEEF)	14,130,800	0.168
24.	ZILAN BIN ZAINAL ABIDIN	14,000,000	0.167
25.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (AHAM AM EQ)	13,003,100	0.155
26.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (NON PAR 16)	10,570,000	0.126
27.	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II	10,224,900	0.122
28.	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR JPMORGAN ASEAN FUND (BK EASTASIA TST)	9,758,900	0.116
29.	TOKIO MARINE LIFE INSURANCE MALAYSIA BHD AS BENEFICIAL OWNER (PF)	9,505,000	0.113
30.	TOKIO MARINE LIFE INSURANCE MALAYSIA BHD AS BENEFICIAL OWNER (TMEF)	9,352,000	0.111

NOTICE OF SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Second Annual General Meeting (“**AGM**”) of 99 Speed Mart Retail Holdings Berhad (“**the Company**”) will be held at Grand Ballroom, Level 2, DoubleTree by Hilton Shah Alam i-City, Finance Avenue, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia on Thursday, 5 June 2025 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the following resolutions:-

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 Auditors thereon. [Please refer to Explanatory Note A]

2. To approve the payment of Directors’ fees up to an aggregate amount of RM884,650.00 and benefits payable of up to RM108,000.00 to the Non-Executive Directors of the Company for the period from 6 June 2025 until the next AGM of the Company to be held in year 2026. **Ordinary Resolution 1**
[Please refer to Explanatory Note B]

3. To re-elect the following Directors who retire by rotation in accordance with Clause 100 of the Constitution of the Company and being eligible, have offered themselves for re-election:-
 - (1) Dato’ Chua Tia Guan **Ordinary Resolution 2**
 - (2) Mr Lee Thiam Wah **Ordinary Resolution 3**
 - (3) Ms Ng Lee Tieng **Ordinary Resolution 4**
[Please refer to Explanatory Note C]

4. To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration. **Ordinary Resolution 5**
[Please refer to Explanatory Note D]

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions, with or without modification:-

5. **PROPOSED SHAREHOLDERS’ RATIFICATION FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** **Ordinary Resolution 6**
[Please refer to Explanatory Note E]

“**THAT** all the recurrent related party transactions entered into by the Company and/or its subsidiaries (“**the Group**”) with the related parties as set out in Section 2.4 of the Circular to Shareholders dated 25 April 2025 from 9 September 2024, being the date of listing of the Company on the Main Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), up to the date of the forthcoming AGM, which were necessary for the Group’s day-to-day operations, undertaken in the ordinary course of business at arm’s length basis and on normal commercial terms and are not detrimental to the interest of the minority shareholders of the Company, be and are hereby approved, confirmed and ratified.”

NOTICE OF SECOND ANNUAL GENERAL MEETING

Cont'd

6. PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Ordinary Resolution 7
[Please refer to
Explanatory Note E]

"**THAT**, pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Securities, approval be and is hereby given for the Group, to enter into the recurrent related party transactions of a revenue or trading nature (hereinafter referred to as "**Recurrent Transactions**") with the related parties as stated in Section 2.4 of the Circular to Shareholders dated 25 April 2025 ("**Proposed Mandate**") which are necessary for the Group's day-to-day operations and the Recurrent Transactions contemplated are in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public, and are not to the detriment of the minority shareholders of the Company.

AND THAT the approval shall continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following the Second AGM of the Company at which the Proposed Mandate will be tabled;
- (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 resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts and things to give full effect to the Recurrent Transactions contemplated and/or authorised by this Proposed Mandate, as the Directors of the Company, in their absolute discretion, shall deem fit."

7. To transact any other business of which due notice shall have been given.

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:-

1. A member shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
2. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportions of his/her holdings to be represented by each proxy.

NOTICE OF SECOND ANNUAL GENERAL MEETING

Cont'd

3. The appointment of proxy may be made in a hardcopy form or by electronic means, not less than forty-eight (48) hours before the time set for holding the Second AGM or at any adjournment thereof, as follows:-
 - (i) **In hardcopy form**
The Form of Proxy can be deposited at the office of Share Registrar of the Company, Boardroom Share Registrars Sdn Bhd ("**Boardroom**") at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
 - (ii) **By electronic means**
The Form of Proxy can also be lodged electronically with the Share Registrar of the Company, Boardroom through Boardroom Smart Investor Portal ("**BSIP**") at <https://investor.boardroomlimited.com> or email to bsr.helpdesk@boardroomlimited.com. Please follow the procedures provided in the Administrative Guide of the Second AGM in order to deposit the Form of Proxy electronically.
4. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing, or if the appointor is a corporation, shall either be executed under its common seal or under the hand of an officer or attorney duly authorised.
6. Pursuant to Paragraph 8.29A of Main Market Listing Requirements of Bursa Securities, all resolutions set out in this notice shall be put to vote by way of poll.
7. In respect of deposited securities, only members whose names appear on the Record of Depositors as at **27 May 2025** (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

Explanatory Notes on Ordinary and Special Business

(A) Agenda Item 1 - Audited Financial Statements

The Audited Financial Statements is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 ("**Act**") does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

(B) Ordinary Resolution 1: Directors' Fees and Benefits payable to the Non-Executive Directors

Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors of the Group shall be approved at a general meeting.

In this respect, the Company conducted a comprehensive review on Directors' fees and benefits, which was then presented to the Nomination and Remuneration Committee ("**NRC**") and the Board of Directors ("**Board**") in February 2025 for review and approval to ensure that the current remuneration for the members of the Board and Board Committees of the Company remain competitive and appropriate to attract, retain and motivate individuals with strong credentials and high calibre to serve on the Board of the Company.

Based on the findings of the review, the Board, at the recommendation of the NRC, had agreed that the shareholders' approval shall be sought at the Second AGM. Details of the individual Directors' fees and benefits are set out under Practice 8.1 of the Corporate Governance Report, which is published on the Company's website.

The Directors' benefits comprise of allowance incurred in the course of carrying out their duties as Directors of the Company.

NOTICE OF SECOND ANNUAL GENERAL MEETING

Cont'd

In determining the estimated amount of benefits payable for the Directors, various factors were taken into account, including the number of scheduled meetings for the Board and Board Committees based on the current number of Directors, and provisional sum set aside as a contingency. An amount of up to RM108,000.00 is proposed as the benefits payable to the Directors for the period from 6 June 2025 until the conclusion of the next AGM in 2026.

Payment of the Directors' benefits will be made by the Company to the respective Directors as and when incurred if the proposed Ordinary Resolution 1 is passed by the shareholders at the Second AGM.

In the event that the proposed Directors' fees and benefits payable during the above period exceed the estimated amount sought at the Second AGM, approval will be sought at the next AGM for additional Directors' fees and benefits payable to meet the shortfall, prior to the payment is made.

(C) Ordinary Resolutions 2, 3 and 4: Re-election of Directors

Clause 100 of the Constitution of the Company provides that at each AGM, one-third of the Directors are subject to retirement by rotation such that each Director shall retire from office at least once in every three years but shall be eligible for re-election. Hence, 3 out of 9 Directors of the Company are to retire and shall be eligible for re-election at the Second AGM.

For the purpose of determining the eligibility of the Directors, namely, Dato' Chua Tia Guan, Mr Lee Thiam Wah and Ms Ng Lee Tieng (collectively, "**the retiring Directors**") standing for re-election at the Second AGM of the Company, have offered themselves for re-election, the Board through its NRC undertakes a formal evaluation to determine the eligibility of each retiring Director in line with the Paragraph 2.20A of the Main Market Listing Requirements of Bursa Securities and Malaysian Code on Corporate Governance, which includes the following:-

- i. Performance and effectiveness of the Board as a whole, Board Committees and individual Directors; and
- ii. Fit and proper assessment.

Based on the outcome of the internally conducted evaluation, the NRC and Board are satisfied with the performance and contributions of the retiring Directors, as well as their adherence to the fit and proper criteria as set out in the Directors' Fit and Proper Policy. The Board supports the NRC's recommendation for their re-election and recommended that they be re-elected as Directors of the Company.

The retiring Directors have abstained from deliberations and decisions on their own eligibility to stand for re-election at the Board Meeting.

The profiles of the retiring Directors are set out in the Profiles of the Board of Directors on pages 7 to 9 of the Annual Report 2024.

(D) Ordinary Resolution 5: Re-appointment of Auditors

Based on the results of the External Auditors Evaluation for the year 2024, the Board and the Audit Committee of the Company at both meetings held on 14 April 2025, were satisfied with the quality of service, adequacy of resources provided, communication, interaction skills and independence, objectivity and professionalism demonstrated by the External Auditors, Messrs. Crowe Malaysia PLT in carrying out their functions.

The Board, at the recommendation of the Audit Committee, endorsed the re-appointment of Messrs. Crowe Malaysia PLT as External Auditors of the Company for the financial year ending 31 December 2025 to be presented to the shareholders for approval.

NOTICE OF SECOND ANNUAL GENERAL MEETING

Cont'd

(E) Ordinary Resolutions 6 and 7: Proposed Shareholders' Ratification and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed resolutions, if passed, will ratify all the recurrent related party transactions entered into by the Group from 9 September 2024 up to the date of the forthcoming AGM and allow the Group to enter into recurrent related party transactions of a revenue or trading nature with its related parties as set out in Section 2.4 of the Circular to Shareholders dated 25 April 2025 in accordance with the Main Market Listing Requirements of Bursa Securities without the necessity to convene separate general meetings to seek shareholders' approval as and when such recurrent related party transactions occur. This would reduce substantial administrative time and expenses associated with the convening of such meetings without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company and is subject to renewal on an annual basis.

For further information on Ordinary Resolutions 6 and 7, please refer to the Circular to Shareholders dated 25 April 2025.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Second 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 Second AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Second 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.

This page has been intentionally left blank.



99 SPEED MART RETAIL HOLDINGS BERHAD
 Registration No.: 202301017784 (1511706-T)
 (Incorporated in Malaysia)

FORM OF PROXY

Number of Shares Held	
CDS Account Number	

I/We, _____ NRIC/Passport No./Company No. _____
 (name of shareholder as per identification card)

of _____

(full address)

and telephone no./email address _____

being a *member/members of 99 SPEED MART RETAIL HOLDINGS BERHAD (the "Company"), hereby appoint:-

Full Name	NRIC No./Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email address		Contact No.	

and/or failing *him/her

Full Name	NRIC No./Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email address		Contact No.	

and/or failing *him/ her, #THE CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf at the Second Annual General Meeting of the Company, to be held at Grand Ballroom, Level 2, DoubleTree by Hilton Shah Alam i-City, Finance Avenue, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia on Thursday, 5 June 2025 at 10:00 a.m. or at any adjournment thereof.

I/We indicate with an "x" in the spaces below how I/we wish my/our vote to be cast:-

RESOLUTION		For	Against
Ordinary Business			
Ordinary Resolution 1	To approve the payment of Directors' fees up to an aggregate amount of RM884,650.00 and benefits payable of up to RM108,000.00 to the Non-Executive Directors of the Company for the period from 6 June 2025 until the next Annual General Meeting of the Company to be held in year 2026.		
Ordinary Resolution 2	To re-elect Dato' Chua Tia Guan who retires by rotation in accordance with Clause 100 of the Constitution of the Company.		
Ordinary Resolution 3	To re-elect Mr Lee Thiam Wah who retires by rotation in accordance with Clause 100 of the Constitution of the Company.		
Ordinary Resolution 4	To re-elect Ms Ng Lee Tieng who retires by rotation in accordance with Clause 100 of the Constitution of the Company.		
Ordinary Resolution 5	To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Board of Directors to fix their remuneration.		
Special Business			
Ordinary Resolution 6	Proposed Shareholders' Ratification for Recurrent Related Party Transactions of a Revenue or Trading Nature.		
Ordinary Resolution 7	Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		

Subject to the abovestated voting instructions, my/our proxy may vote or abstain from voting on any resolutions as *he/*she/*they may think fit.

(Please indicate with an "X" in the appropriate box against the resolutions on how you wish your proxy to vote. The proxy is to vote on the resolutions set out in the Notice of Meeting as you have indicated. If no specific instruction as to voting is given, this form will be taken to authorise the proxy to vote at his/her discretion.)

* Strike out whichever is inapplicable.

If you wish to appoint other person(s) to be your proxy/proxies, kindly delete the words "the Chairman of the Meeting or failing him/her" and insert the name(s) of the person(s) desired.

The proportion of my/our shareholdings to be represented by my/our proxies are as follows:-

First Proxy _____ %
 Second Proxy _____ %
 _____ 100%

Signed this _____ day of _____, 2025

www.99speedmart.com.my
www.99bulksales.my



99 SPEED MART RETAIL HOLDINGS BERHAD

(Registration No.: 202301017784 (1511706-T))
(Incorporated in Malaysia under the Companies Act 2016)

Lot PT 2811, Jalan Angsa, Taman Berkeley
41150 Klang, Selangor Darul Ehsan, Malaysia

+603 3362 6863 corporate@99speedmart.com.my