

## 8. INDUSTRY OVERVIEW


**Frost & Sullivan GIC Malaysia Sdn. Bhd.**

(200701010645)

(768648K)

Tel: +60 3 2023 2000

Fax: +60 3 2023 2100

[www.frost.com](http://www.frost.com)Main Office

Level 6.06, KPMG Tower

8 First Avenue,

Bandar Utama,

47800 Petaling Jaya

Selangor, Malaysia

Iskandar Office

A-FF-01-03 &amp; B-FF-01-07

Medini 6, Jln Medini Sentral 5,

Bandar Medini Iskandar,

79250 Iskandar Puteri

Johor, Malaysia

Date:

The Board of Directors

**KK Mart Retail Bhd**

T6-01-03 (Manara KK), Tower 6

Maju Link, Jalan Lingkaran Tengah 2

Bandar Tasik Selatan

57000 Kuala Lumpur, Malaysia

Dear Sirs / Madams,

**Independent Market Research on the Convenience Retail Industry in Malaysia for KK Mart Retail Bhd (Registration No. 202301037992 (1531914-U)) ("KK Mart" or "the Company")**

We, Frost & Sullivan GIC Malaysia Sdn Bhd ("**Frost & Sullivan**"), have prepared this Independent Market Report on the Convenience Retail industry in Malaysia ("**IMR Report**") for inclusion in KK Mart ' prospectus in conjunction with the listing of and quotation for the entire enlarged issued ordinary shares of KK Mart on the Main Market of Bursa Malaysia Securities Berhad ("**Prospectus**").

We are aware that this IMR Report will be included in the Prospectus and we further confirm that we are aware of our responsibilities under Section 215 of the Capital Markets and Services Act, 2007.

We acknowledge that if we are aware of any significant changes affecting the content of this IMR Report between the date hereof and the issue date of the Prospectus, we have an ongoing obligation to either cause this IMR Report to be updated for the changes and, where applicable, cause KK Mart to issue a supplementary prospectus, or withdraw our consent to the inclusion of this IMR Report in the Prospectus.

Frost & Sullivan has prepared this IMR Report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of this IMR Report. We believe that this IMR Report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in the industry. Frost & Sullivan shall not be held responsible for the decisions and/or actions of the readers of this IMR Report. This IMR Report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in this IMR Report or otherwise.

For and on behalf of Frost &amp; Sullivan GIC Malaysia Sdn Bhd:


**Narciso Podda****Director****Business & Financial Services**

**8. INDUSTRY OVERVIEW (Cont'd)****COPYRIGHT NOTICE**

The contents of this IMR Report are copyright © of Frost & Sullivan GIC Malaysia Sdn Bhd. All rights reserved.

Except with the prior written permission of Frost & Sullivan GIC Malaysia Sdn Bhd, no part of this IMR Report shall be (whether directly or indirectly) given, lent, resold, or disclosed to any third party, in any format for commercial and non-commercial purposes.

Additionally, except with prior written permission from Frost & Sullivan GIC Malaysia Sdn Bhd, no part of this IMR Report shall be copied or otherwise incorporated into, transmitted to, or stored in any other website, electronic retrieval system, publication, or other work in any form (whether hard copy, electronic, or otherwise) for purposes other than the listing of the Company on the Main Market of Bursa Malaysia Securities Berhad.

Any use of the information in this IMR Report for the purpose of, but not limited to, the production of any third party publications or analysis shall be based on consent of Frost & Sullivan GIC Malaysia Sdn Bhd, and accompanied by an acknowledgement or citation of Frost & Sullivan as the source.

**Methodology**

*For the purpose of preparing this report, Frost & Sullivan has conducted primary research encompassing interviews with industry experts and industry players, and secondary research, which included reviews of company reports, official websites/social media pages, independent research reports, information from industry associations/authorities/international organisations, and information from Frost & Sullivan research database. Unless being made available in the publicly available sources, projected data was derived by Frost & Sullivan using historical data analysis with the consideration of the social, economic, and political environments for the forecasted period.*

*Comparable key industry players identified in this report have been selected from a long list of companies developed by screening directories in Malaysia as well as discussing with industry players. Subsequently, the list was presented and discussed with industry players and experts<sup>1</sup> that agreed to be interviewed for the purpose of the analysis. Information were further validated via public information through secondary research (which covers reviews of company reports, official websites/social media channels, independent research reports, information from industry associations/authorities/internal organisations, as well as information from Frost & Sullivan research database) and fine-tuned by contacting identified companies (e.g., telephonic method, official social media platforms, among others).*

**Profile of Frost & Sullivan GIC Malaysia Sdn Bhd**

*Frost & Sullivan is a global independent industry research and consulting organisation headquartered in the United States of America with over 60 years of establishment. In Malaysia, Frost & Sullivan's subsidiary, Frost & Sullivan GIC Malaysia Sdn Bhd, operates two offices (Selangor and Iskandar Malaysia) with more than 200 employees offering market research, marketing and branding strategies and business advisory services across 12 industries. Frost & Sullivan is involved in the preparation of independent market research reports for capital market exercises, including initial public offerings, reverse takeovers, mergers and acquisitions, and other related fund-raising and corporate exercises.*

**Profile of the IMR signee, Narciso Podda**

*Narciso Podda is the Director, Business & Financial Services division, for Frost & Sullivan GIC Malaysia Sdn Bhd. Narciso Podda possesses over 15 years of experience in market research and consulting, including over eight years in independent market research and due diligence exercise for capital markets across the Asia Pacific region. Narciso Podda holds a Bachelor in Business Administration from Bocconi University, Italy, and a Master in International Economics and Finance from Chulalongkorn University, Thailand.*

For further information, please contact:

**FROST & SULLIVAN GIC MALAYSIA SDN BHD**

Level 6.06, KPMG Tower,  
8 First Avenue,  
Bandar Utama,  
47800, Petaling Jaya,  
Selangor, Malaysia  
Tel: +603 2023 2000  
Fax: +603 2023 2100  
[www.frost.com](http://www.frost.com)

<sup>1</sup> Industry players are individuals currently or previously working in the convenience retail industry. Industry experts are individuals with in-depth knowledge on the industry (e.g., industry analysts).

8. INDUSTRY OVERVIEW (Cont'd)



1 INTRODUCTION TO THE CONVENIENCE RETAIL INDUSTRY IN MALAYSIA

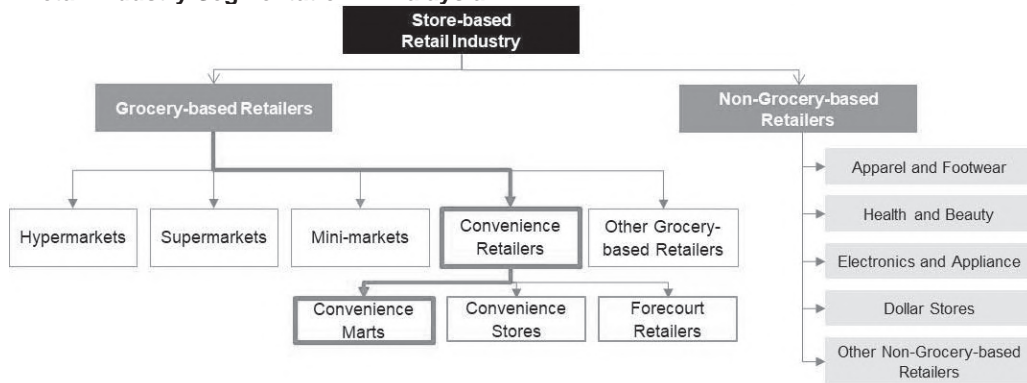
The grocery retail industry in Malaysia is growing and is projected to continue to grow, driven by factors such as population growth, a resilient economic outlook and sustained spending on food and non-alcoholic beverages, among other factors. Within the industry, the convenience retail segment is forecasted to be the fastest-growing segment. This is due to the growing popularity of convenient shopping, particularly with the added appeal of amenities like smart and self-service kiosks, in-store dining areas, etc.

KK Mart, via its own brands, KK Super Mart, KK Concept Store and KK Signature Store, is the leading convenience mart in Malaysia by number of stores as at 28 February 2026 and revenue in 2025E. The Company is also the fastest growing among the selected convenience retailers, by number of stores in Malaysia, in the period between 2022 and 2025. It primarily targets the mass market, offering a shopping experience with extended operating hours of up to 24 hours<sup>2</sup>. This, along with its commitment to digitalisation and customer engagement, positions KK Mart uniquely within the convenience retail landscape in Malaysia.

2 DEFINITION AND MARKET SEGMENTATION

Malaysia's retail industry can be segmented into store-based retailing and non-store-based retailing (e.g., e-commerce, direct selling, vending machines). Store-based retailing comprises two main categories: grocery and non-grocery-based retailers. **Grocery-based retailers** predominantly focus on the sale of food and beverages ("F&B") with some also selling household supplies and other household goods (e.g., detergents), lifestyle items (e.g., clothing, luggage), and consumer products (e.g., stationery, toys). Non-grocery-based retailers, on the other hand, focus mainly on non-F&B products. Retailers within this segment are typically categorised by their product of focus or operating model.

Figure 2-1: Retail Industry Segmentation in Malaysia



Note: 1) Other grocery-based retailers include other food or drinks specialists and small local grocers. 2) Other non-grocery-based retailers include speciality retailers of leisure and personal goods and non-speciality retailers such as department stores; 3) The red box indicates the industry subsegments where the Company operates.

Source: Frost & Sullivan

Table 2-1: General type of convenience retailers in Malaysia

	Convenience marts	Convenience stores	Forecourt retailers
<b>Location</b>	Near residential areas, shopping areas and urban streets	Shopping areas and urban streets	Gas stations and highways
<b>Product variety</b>	Large product variety, including household products (i.e., toiletries, cleaning supplies, cleaning tools), basic groceries (i.e., bread, milk, yogurt, instant noodles, canned food, etc.), fresh groceries (i.e., fruits and vegetables), frozen food (i.e., sausages and nuggets), cooking condiments, snacks, beverages, etc.	Limited product variety, focused on snacks, beverages and basic groceries (i.e., bread, milk, yogurt, instant noodles, canned food, etc.).	Limited product variety, focused on snacks, beverages, and automotive supplies.
<b>Example of key brands</b>	KK Super Mart, KK Concept Store and KK Signature Store, BilaBila Mart, SUPERVALUE, Save	7-Eleven, myNEWS, FamilyMart	Kedai Mesra, Shell SELECT, BHPetromart

Note: Key brands are grouped based on their dominant locations. E.g., KK Super Mart, 7-Eleven and FamilyMart are predominantly located in shopping areas and urban streets, with only a few stores in petrol stations; therefore, they are not classified as forecourt retailers.

Source: Frost & Sullivan

The grocery segment encompasses various types of retail stores, such as hypermarkets, supermarkets, mini-markets, and **convenience retailers**, among others. Convenience retailers include convenience marts,

<sup>2</sup> Note: some stores may have limited operating hours. For example, mall-based stores may have limited operating hours linked with that of the malls in which they are based.

## 8. INDUSTRY OVERVIEW (Cont'd)

# F R O S T & S U L L I V A N

convenience stores, and forecourt retailers. These retailers share the common characteristic of operating 24 hours or having extended hours ranging from 14 to 24 hours. While these retailers target specific groups of customers, convenience marts primarily serve consumers seeking a quick and convenient shopping experience for household and grocery items. This report provides further analysis of the convenience marts subsegment, where the Company operates.

The Company competes not only with other players in the convenience retail industry but also indirectly with other grocery-based retailers such as supermarkets and mini-markets, which offer similar product assortments. These players compete for market share based on factors such as product selection, pricing strategies, quality of goods, customer service, and the overall shopping experience provided to consumers.

### 3 MACROECONOMIC OVERVIEW OF MALAYSIA

The **Malaysian economy** grew from 2020 to 2025 at a compound annual growth rate (“CAGR”) of 5.2%.<sup>3&4</sup> There was a setback in 2020, which recorded a decline of 5.5% due to the impact of the coronavirus disease 2019 (“COVID-19”) outbreak, which temporarily affected household disposable income. Nevertheless, the average monthly household income in Malaysia grew from RM7,901 in 2019 to RM9,155 in 2024 at a CAGR of 3.0%.<sup>5</sup>

During the 2020 setback, grocery purchases were less affected as they are essential non-discretionary items that people prioritise even during challenging economic times. Overall, from 2019 to 2024, the total average monthly household expenditure increased from RM4,609 to RM5,566 at a CAGR of 3.8%. In particular, the total average monthly household expenditure for food and non-alcoholic beverages increased from RM780 to RM876 at a CAGR of 2.3% during the same period.<sup>6</sup> Comparatively, the consumer price index (“CPI”) for food and non-alcoholic beverages rose by 23.4 points from 134.8 in 2020 to 158.2 in 2025.<sup>7</sup> The positive growth in household expenditure indicates a consistent demand for essential food and beverage items, including those typically found in convenience marts. Such stability in consumer spending highlights significant opportunities for the convenience retail industry, as it demonstrates resilience to economic fluctuations and price changes.

The Malaysian economy has demonstrated resilience in 2025, growing by 5.2%.<sup>8</sup> It is supported by government initiatives such as the National Energy Transition Roadmap, the New Industrial Master Plan 2030, and the Thirteenth Malaysia Plan.<sup>9</sup> The Malaysian economy is forecasted to grow at a CAGR of 4.0% from 2025 to 2030F, reflecting a positive economic outlook.<sup>10</sup> The resilient economic outlook supports employment in the country and is expected to create more income opportunities for the workforce. The introduction of the new minimum wage rate, along with adjustments to civil servants’ salaries, will further enhance workers’ earnings, thus increasing their purchasing power.

The **Malaysian population** grew from 32.4 million in mid-2020 to 33.9 million in mid-2025, at a CAGR of 0.9%. It is forecasted that the population will further increase to 35.7 million by mid-2030, growing at a CAGR of 1.0% from mid-2025.<sup>11</sup> As the population of Malaysia is set to increase, the convenience retail industry will also expand further due to the increased base of potential customers.

### 4 ANALYSIS OF CONVENIENCE RETAIL INDUSTRY IN MALAYSIA

#### 4.1 MARKET SIZE

The grocery-based retail industry in Malaysia is growing, as evidenced by the rise in sales value from RM68.1 billion in 2020 to RM91.1 billion in 2025E, at a CAGR of 6.0%. Notably, there has been a substantial growth rate of 19.2% in 2022 compared to the previous year, driven by the recovery of this segment following the lifting of all movement restrictions in April 2022. In 2023 and 2024, the grocery-based retail industry continued to grow by 9.3% and 7.0%, respectively. The industry is estimated to have grown by 7.1% in 2025, driven by the economic growth that stimulates spending on groceries.

Moving forward, the grocery-based retail industry in Malaysia is projected to continue growing from 2025E to 2030F. This growth will be driven by population growth and a resilient economic outlook, which lead to higher income and expenditure by households. These are key factors supporting the development of the grocery-based retail industry.

<sup>3</sup> International Monetary Fund (“IMF”) World Economic Outlook (“WEO”) October 2025

<sup>4</sup> Department of Statistics, Malaysia (“DOSM”), Gross Domestic Product, Q4 2025

<sup>5</sup> DOSM, Household Income Survey Report 2024

<sup>6</sup> DOSM, Household Expenditure Survey Report Malaysia 2024

<sup>7</sup> DOSM, Analysis of Consumer Price Index 2025

<sup>8</sup> DOSM, Gross Domestic Product, Q4 2025

<sup>9</sup> Ministry of Finance, Economic Outlook 2025

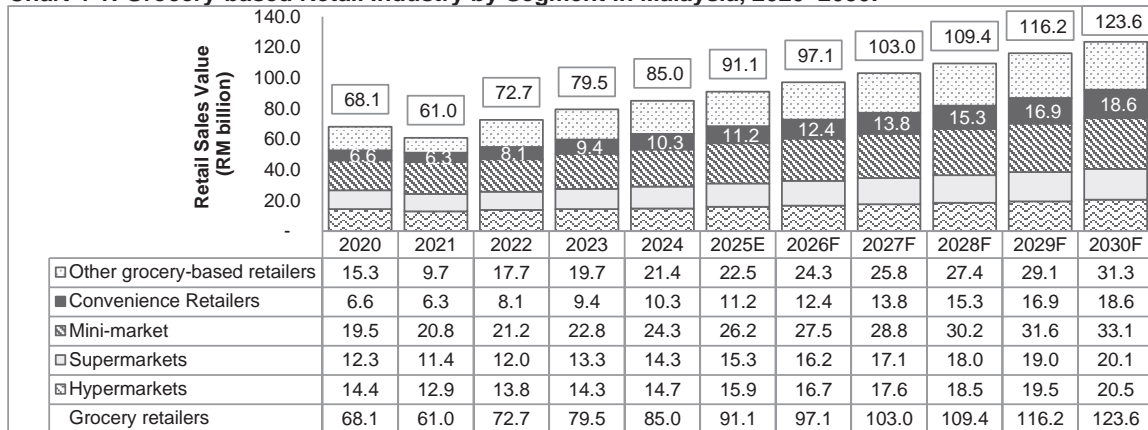
<sup>10</sup> IMF, WEO October 2025

<sup>11</sup> IMF, WEO October 2025

8. INDUSTRY OVERVIEW (Cont'd)



Chart 4-1: Grocery-based Retail Industry by Segment in Malaysia, 2020–2030F



Note: Total may not add up due to rounding.

Source: Frost & Sullivan

Table 4-1: CAGR of the Grocery-based Retail Industry in Malaysia, 2020–2030F

	CAGR 2020-2025E	CAGR 2025E-2030F
Hypermarkets	2.0%	5.3%
Supermarkets	4.5%	5.7%
Mini-markets	6.0%	4.8%
Convenience retailers	11.3%	10.6%
- Convenience marts	20.9%	17.7%
- Other convenience retailers	9.6%	8.6%
Other grocery-based retailers	8.0%	6.8%
<b>Total grocery-based retailers</b>	<b>6.0%</b>	<b>6.3%</b>

Note: All forecasts for retail sales value are on a best-efforts basis, based on the latest publicly available information and primary interviews as at 28 February 2026.

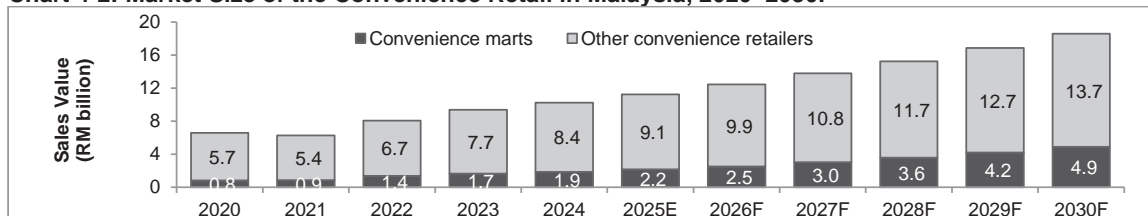
Source: Frost & Sullivan

In 2025E, grocery-based retailers held a significant share of the total store-based retail sales in Malaysia, accounting for 31.3%. Within the grocery-based retail sector, the convenience retail segment is relatively small compared to other grocery segments. However, it is expanding fast, capturing 12.3% of the grocery-based retail industry in 2025E, up from 9.7% in 2020. Within the convenience retail segment, convenience marts represented 19.2% of the market in 2025E, growing from 12.7% in 2020.

During the COVID-19 pandemic, convenience retail experienced significant growth due to movement restriction orders that limited people’s mobility. With supermarkets being less accessible and concerns over crowding, customers sought nearby alternatives to fulfil their needs. Convenience retailers nearby are a preferred choice for customers looking to minimise their time spent shopping.

The convenience retail industry in Malaysia is forecasted to continue its growth in the forecasted period up to 2030. This growth is expected to be driven by the strategic expansion of the retailers, which provide convenience through diversified offerings such as a variety of grab-and-go food options and limited edition items, as well as by the changing consumer habits favouring convenience. Convenience marts’ growth is fuelled by demand for household and grocery items, supported by convenience through extended operating hours.

Chart 4-2: Market Size of the Convenience Retail in Malaysia, 2020–2030F



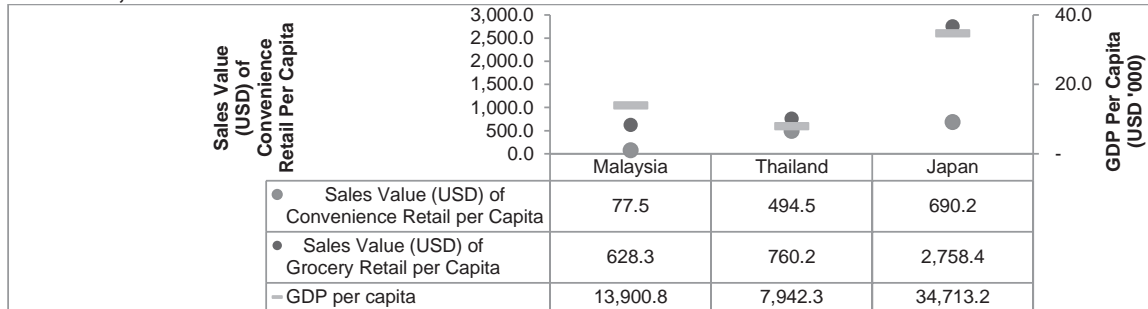
Source: Frost & Sullivan

Malaysia’s GDP per capita is higher than Thailand’s, but sales value per capita in the convenience retail and grocery retail segments is lower, indicating that these segments in Malaysia are underpenetrated as at 2025E. With the growth in GDP per capita in Malaysia in the forecasted period in this report, sales value per capita in these segments is forecasted to grow towards levels seen in other developed countries like Japan.

8. INDUSTRY OVERVIEW (Cont'd)



**Chart 4-3: Grocery and convenience retail sector in Malaysia compared with that in other Selected Countries, 2025E**



Source: Frost & Sullivan

**4.2 DEMAND DRIVERS AND TRENDS**

Population growth and a resilient economic outlook, which lead to higher income and expenditure by households, are key factors supporting the growth of the grocery-based retail industry. In addition, there are other drivers that are contributing to the growth of the convenience retail segment in Malaysia such as the following:

**Growing popularity of convenience and proximity shopping:** The urban lifestyle encourages a hectic and fast-paced schedule for working people, which makes it necessary to shop conveniently and quickly for groceries and other daily essentials like fast-moving consumer goods (“**FMCG**”). Convenience retailers are in an advantageous position to meet this demand by being situated in urban areas, and their optimised product selections cater to grab-and-go purchases and urgent needs. Convenience retailers also accommodate late-night shoppers and those with non-traditional schedules by having extended operating hours, often up to 24 hours.

Additionally, compared to supermarkets and hypermarkets, mini-markets and convenience retailers, on average, have a smaller store size. Due to their smaller store format, convenience retailers are able to operate in locations that are not suitable for larger stores, such as in city areas, office buildings and residential neighbourhoods, among others. This proximity-based shopping appeals to travellers, office workers, and residents, among others, as they are able to make a quick stop without having to travel far. Customers can avoid making trips to larger retail formats when they need to buy only a few items, saving them time and effort. By shopping at nearby convenience stores, they can enjoy a more efficient experience without the stress of navigating larger stores.

**Availability of house brand products:** Consumers across the retail industry are turning to generic and house brand products, particularly for homogeneous products, which can positively impact the convenience retail industry. The demand for house brand products has been growing as these products provide customers with an attractive alternative to other brand-name goods. House brands often provide comparable quality at lower price points, appealing to cost-conscious shoppers who prioritise value. Even upper-income shoppers are more willing to buy generic items, supported by the emergence of private label offerings targeted at this income group.<sup>12</sup>

**Adapting to the digital shift with omnichannel presence:** The pandemic has accelerated the shift toward digital shopping, prompting businesses to adapt their strategies to meet the growing demand for online purchasing options and omnichannel presence. Convenience retailers are also leveraging factors such as the high internet penetration rates in Malaysia of 98.0%.<sup>13</sup> To capitalise on this consumer trend, many convenience retailers have started selling products online to complement their brick-and-mortar operations. This is achieved through developing their own apps or partnering with delivery aggregators. These strategies can cater to tech-savvy customers, allowing them to shop from anywhere, at any time.

**Growing demand for ready-to-eat (“RTE”) meals:** The growing demand for fresh meals from consumers has prompted more convenience retailers to offer RTE meals. The integration of small dining spaces within these stores, coupled with a variety of fresh meals and snacks that cater to local tastes, allows customers to enjoy their meals on-site, enhancing the overall shopping experience. This trend not only drives foot traffic but also positions convenience retailers as viable alternatives for consumers seeking versatile foodservice solutions, thus creating a new avenue for store sales growth.

<sup>12</sup> Fast Company, Generic brands are so fancy now that even rich people want to buy them, March 2025

<sup>13</sup> DataReportal, Digital 2026: Malaysia, October 2025

## 8. INDUSTRY OVERVIEW (Cont'd)

# F R O S T & S U L L I V A N

**Government initiatives to support Malaysian households:** The grocery segment, which includes convenience retailers, benefits from national incentives designed to support the economy and increase consumer spending power. Eligible households in Malaysia can receive direct financial assistance through the e-Madani program, Inisiatif Pendapatan Rakyat (“IPR”), and Sumbangan Tunai Rahmah (“STR”), as well as state government initiatives like Bantuan Sara Hidup Johor and Bantuan Kehidupan Sejahtera Selangor (“BINGKAS”). The Malaysian Government also continues to offer subsidies on household goods like rice, cooking oil, wheat flour, and white sugar. This continuous effort seeks to improve the population’s well-being and alleviate financial burdens.

### 4.3 BARRIERS TO ENTRY AND KEY SUCCESS FACTORS

**Strong branding:** In the convenience retail industry, well-known and established brands enjoy the advantage of consumer familiarity and trust, which makes them the preferred choice over alternatives. This makes it difficult for newcomers, who must allocate a lot of time and money to establish their brand and cultivate customer loyalty. A strong brand name helps current convenience retailers succeed by attracting and retaining customers, distinguishing a brand from competitors, and fostering a favourable opinion of their goods and services. Strong brand equity provides industry players a competitive edge when it comes to growing their consumer base because it fosters immediate brand recognition, recall, and enduring customer loyalty.

**Economies of scale and extensive store network:** Big convenience retail chains can offer a strong price-to-quality value proposition by leveraging their size to spread fixed costs over a greater number of stores, negotiate better prices with suppliers or directly with manufacturers, and save money through bulk purchases. It is challenging for emerging companies to enter the market, compete on price, and establish a presence because established businesses have attained economies of scale. The established businesses can also source private-label goods at a lower cost than new entrants.

In order to reach a larger customer base, spread their risk, and lessen their reliance on any one location, well-established companies in the convenience retail segment usually have a large multi-store network. Additionally, established convenience retailers can increase customer loyalty and brand recognition by having a wide network of stores, as consumers are more likely to recognise and trust a brand that is well-known both locally and nationally.

**Operational flexibility for home-grown brands:** Industry players that own their brands, particularly home-grown brands, possess distinct operational advantages. Unlike franchises, these brands have greater control over day-to-day operations. They have flexibility in adjusting their store networks and product offerings to respond to shifts in local market trends and consumer demand. This adaptability allows these industry players to regularly evaluate store performance, close underperforming outlets, and open new stores in high-demand locations. Such operational agility enables industry players to optimise their store network continually. The ability to innovate and adapt quickly gives brand owners a significant edge over competitors, enabling them to thrive in the ever-evolving retail environment.

**Strong distribution network:** Convenience retailers need a strong distribution network to meet customer demand while ensuring efficient and effective stock replenishment. Replicating the same degree of dependability, cost-effectiveness, and efficiency in their supply chain can be challenging for newcomers. By devoting substantial resources to the construction and optimisation of their infrastructure, including their own distribution centre, established players have already established robust distribution networks allowing for easier and faster stock replenishment.

**Digitalisation and new technologies:** Convenience retailers are rapidly adopting digital technologies to elevate customer experience and streamline operational efficiency. This includes initiatives such as mobile ordering and delivery, enabling customers to place orders online through a mobile app or website, with doorstep delivery to their location; unmanned stores with self-checkout counters, reducing staff reliance and speeding up checkouts; automated inventory management systems, optimising stock levels and minimising waste; smart vending machines, offering a wider range of products beyond the physical store. These advancements enhance the shopping experience and provide operational benefits. However, the initial investment required can be a barrier to entry for new players, while established companies are better positioned to capitalise on these technologies.

**Direct sourcing from manufacturers and/or brand principals:** By purchasing products directly from manufacturers and/or brand principals, convenience retailers can eliminate the markup that would be added by the intermediaries. This helps them to keep prices competitive and offers greater flexibility in product selection, allowing them to cater to specific customer preferences and offer a wider range of options. Direct sourcing also enables closer control over product quality, ensuring goods meet the store’s standards. Established convenience retailers have invested time and resources in building these direct relationships with

## 8. INDUSTRY OVERVIEW (Cont'd)

# F R O S T & S U L L I V A N

manufacturers, giving them a competitive advantage over new entrants who may find it challenging to establish similar connections.

**Uniformity of store layout:** Convenience retailers seek to boost customer satisfaction, increase operational effectiveness, and fortify their brand identity through uniformity by implementing a consistent and standardised store design across several locations. No matter which stores a customer visits, this strategy allows the customer to find products with ease and in a predictable and familiar manner. A consistent store layout also helps convenience retailers manage their inventory more effectively, streamline operations, and preserve a consistent brand image across their entire network of locations. For instance, bright lighting creates an image of a welcoming and secure environment.

### 4.4 COMPETITIVE LANDSCAPE

The Malaysian convenience retail segment comprises homegrown and foreign brands, with several prominent industry players operating more than 330 stores nationwide, alongside numerous smaller local industry players with a smaller number of stores, situated in various states, where their headquarters are located. The Company's stores are strategically located in residential and commercial areas, providing extensive coverage of the Malaysian population and of Malaysian households. However, the Company has a lower store penetration in areas outside of the Central and Southern regions of Malaysia. This presents an opportunity for the Company to expand its footprint in the East Coast and Northern regions of Peninsular Malaysia, as well as in East Malaysia.

**Table 4-2: Estimated Population by Regions<sup>14</sup> as at June 2025 vs the Company's stores as at February 2026 in Malaysia**

Malaysia	Population (thousand) (Jun 2025) <sup>(1)</sup>	Area (kilometer ("km <sup>2</sup> ") <sup>2</sup> )	Population Density (people/km <sup>2</sup> )	The Company's store count (Feb 2026) <sup>(2)</sup>	The Company's store penetration (store / million population) <sup>(3)</sup>	The Company's population coverage (population (thousand) / store) <sup>(3)</sup>
<b>Peninsular Malaysia</b>	<b>27,533</b>	<b>132,492</b>	<b>208</b>	<b>986</b>	<b>35.8</b>	<b>27.9</b>
Central	9,495	8,233	1,153	679	71.5	14.0
East Coast	4,779	64,124	75	26	5.4	183.8
Northern	6,827	32,504	210	71	10.4	96.2
Southern	6,431	27,631	233	210	32.7	30.6
East Malaysia	6,319	198,363	32	10	1.6	631.9
<b>MALAYSIA</b>	<b>33,852</b>	<b>330,855</b>	<b>102</b>	<b>996</b>	<b>29.4</b>	<b>34.0</b>

Note: Latest available data as at 28 February 2026. (1) Estimated population data as at 30 June 2025; (2) The Company's store count as at 28 February 2026; (3) Calculated based on the population data as at 30 June 2025 and the Company's store count as at 28 February 2026.

Source: DOSM; IMF; Frost & Sullivan

#### 4.4.1 Profiles of Key Players

The Company stands out as the leading convenience mart by number of stores as at 28 February 2026. From 2022 to 2025, the Company's growth in the number of stores outpaced other selected brands within the convenience retail segment. The Company's widespread geographical coverage and number of stores provide a competitive advantage by enabling it to serve a larger customer base, offering convenience through its extensive store network. The Company also has a high number of stock-keeping units ("SKUs") in store to meet diverse needs from customers.

**Table 4-3: Selected Key Players in the Convenience Marts Segment in Malaysia, 2026**

Brand name <sup>(1)</sup>	Country of origin of the brand	Brand Owner in Malaysia	Number of States and Federal Territories in which the brand has stores <sup>(2)</sup>	Number of stores <sup>(3)</sup>	Store growth (2022-2025)	Stores with seating areas	Unmanned stores	FYE	Revenue (RM mil)
<b>KK Super Mart, KK Concept Store and KK Signature Store</b>	Malaysia	Yes	11	996	additional 376	Yes	Yes	30 Jun 25	1,567.2
<b>BilaBila Mart (Bilabila Retail Sdn Bhd)</b>	Malaysia	Yes	3	100-200	additional 75-85	Yes	No	31 Dec 24	102.7
<b>Save (Mini Market Desa Rishah Sdn Bhd)</b>	Malaysia	Yes	1	50-60	additional 30-40	No	No	30 Sept 24	90.4
<b>SUPERVALUE (Mynews Holdings Bhd)</b>	Malaysia	Yes	8	40-50	additional 10-20	No	No	NA	<sup>(4)</sup> NA

<sup>14</sup> Central region: state of Selangor and the Federal Territories of Kuala Lumpur and Putrajaya. East Coast region: state of Kelantan, Terengganu and Pahang. Northern region: state of Perlis, Kedah, Penang and Perak. Southern region: state of Johor, Melaka and Negeri Sembilan. East Malaysia: state of Sabah and Sarawak and the Federal Territory of Labuan.

## 8. INDUSTRY OVERVIEW (Cont'd)

## F R O S T &amp; S U L L I V A N

Notes: Data for each company is provided on a best-effort basis based on publicly available information. The list of selected key players may not be exhaustive, and the information is provided for reference only. Revenue based on the latest available audited financial data reported by selected players as at 28 February 2026. The revenue reported may be derived from other retail activities. NA indicates that the data is not available. (1) The brands listed are convenience marts that have at least 40 stores in Malaysia as at 28 February 2026. The brands are sorted based on the total number of stores in Malaysia; (2) Refers to the 13 States and 3 Federal Territories in Malaysia; (3) Store count as at 28 February 2026; (4) Mynews Holdings Berhad, through its subsidiaries, operates retail brands such as myNews, SUPERVALUE and CU. The revenue attributable to each individual brand is not separately disclosed and it is only reported collectively under the company's 'retail convenience' segment.

Source: Respective Company Websites; Frost & Sullivan

Table 4-4: Selected Key Players in the Convenience Retail Segment in Malaysia, 2026

Brand name <sup>(1)</sup>	Type of stores	Country of origin of the brand	Brand Owner in Malaysia	Number of States and Federal Territories in which the brand has stores <sup>(2)</sup>	Number of stores <sup>(3)</sup>	Store growth (2022-2025)	FYE	Revenue (RM mil)
<b>KK Super Mart, KK Concept Store and KK Signature Store</b>	Convenience mart	Malaysia	Yes	11	996	additional 376	30 Jun 25	1,567.2
<b>7-Eleven (7-Eleven Malaysia Holdings Bhd)</b>	Convenience store	USA	No	16	2,600-2,800	additional 220-230	31 Dec 24	2,925.5
<b>Shell SELECT</b>	Forecourt retailer	United Kingdom	No	16	830-1,030	additional 30-40	NA	NA <sup>(5)</sup>
<b>Kedai Mesra (Petronas Dagangan Bhd)</b>	Forecourt retailer	Malaysia	Yes	16	800-1,000	NA	31 Dec 24	307.3 <sup>(6)</sup>
<b>Petron Treats and P-Kedai</b>	Forecourt retailer	Philippines	No	16	700-800	NA	NA	NA <sup>(5)</sup>
<b>myNEWS (Mynews Holdings Bhd)</b>	Convenience store	Malaysia	Yes	11	450-550	additional 50-60	NA	NA <sup>(7)</sup>
<b>FamilyMart (QL Resources Bhd)</b>	Convenience store	Japan	No	12	450-550 <sup>(4)</sup>	additional 145-155	31 Mar 25	1,213.7 <sup>(8)</sup>
<b>BHPetromart</b>	Forecourt retailer	Malaysia	Yes	12	330-430	additional 35-45	NA	NA <sup>(5)</sup>

Notes: Data for each company is provided on a best-effort basis based on publicly available information. The list of selected key players may not be exhaustive, and the information is provided for reference only. Revenue based on the latest available audited financial data reported by selected players as at 28 February 2026. The revenue reported may be derived from other retail activities. NA indicates that the data is not available. (1) The brands listed are convenience retailers that have at least 330 stores in Malaysia as at 28 February 2026. The brands are sorted based on the total number of stores in Malaysia; (2) Refers to the 13 States and 3 Federal Territories in Malaysia; (3) Store count is as at 28 February 2026; (4) Exclude smart kiosks; (5) Not available as the revenue is not separately recognised with a single aggregated figure. The brands operate with multi-entities and a dealer-operated structure; (6) Indicates the revenue from the 'convenience' segment; (7) Mynews Holdings Berhad, through its subsidiaries, operates retail brands such as myNews, SUPERVALUE and CU. The revenue attributable to each individual brand is not separately disclosed and it is only reported collectively under the company's 'retail convenience' segment; (8) Indicates the revenue from the 'convenience store chain' segment.

Source: Respective Company Websites; Frost & Sullivan

## 4.4.2 Product Pricing Comparison

The table below provides a pricing comparison, based on the category of focus for the Company, for the same products across key players in the convenience retail industry in Malaysia. Among the 52 products selected for comparison, the Company has a lower price for 29 products, compared to the average price by selected key players. The prices of selected comparable products for household and personal care were generally lower at the Company's stores compared to the stores of other selected key convenience retailers in Malaysia.

Table 4-5: Product Comparison of Selected Products<sup>(1)</sup> Sold by the Company and Other Key Convenience Retailers in the Convenience Retail Industry<sup>(2)</sup> in Malaysia as at 20 September 2025

Category	Brand	Specification	Price Comparison (RM) <sup>(3)</sup>				Price Difference (%) <sup>(4)</sup>
			The Company	Key Convenience Retailers			
			<b>F&amp;B</b>				
Snacks-chocolate	M&M's	Milk peanut 37g	4.5	FM: 4.4; MN: 4.8; PT: 3.6; SS: 3.2; KM: 3.4; <b>Avg: 3.9</b>			+16.0%
Snacks-chocolate	Kinder	Kinder Joy (boy)	6.9	7E: 6.8; FM: 7.3; MN: 7.4; BHP: 5.2; PT: 6.0; SS: 6.0; KM: 12.9; <b>Avg: 7.4</b>			-6.4%
Snacks-chocolate	Snickers	Peanut 51g	5.5	SV: 4.7; 7E: 5.1; FM: 5.5; MN: 5.1; BHP: 3.6; PT: 4.2; SS: 5.0; KM: 4.3; <b>Avg: 4.7</b>			+17.3%
Snacks-chocolate biscuit stick	Lotte Pepero	Pepero almond 32g	7.5	7E: 6.8; FM: 7.6; MN: 7.4; KM: 6.4; <b>Avg: 7.1</b>			+6.4%
Snacks-wafer biscuit	KitKat	4F 35g	3.9	SV: 4.1; BM: 4.2; 7E: 4.8; FM: 4.4; MN: 4.8; BHP: 3.8; PT: 3.9; SS: 4.6; KM: 3.4; <b>Avg: 4.2</b>			-7.6%

## 8. INDUSTRY OVERVIEW (Cont'd)

## F R O S T &amp; S U L L I V A N

Category	Brand	Specification	The Company	Price Comparison (RM) <sup>(3)</sup>		Price Difference (%) <sup>(4)</sup>
				Key Convenience Retailers		
Snacks- wafer biscuit	Loacker	Wafer cream kakao 45g	5.2	FM: 4.7; MN: 5.0; BHP: 3.2; PT: 3.7; SS: 3.7; KM: 3.6; <b>Avg: 4.0</b>		+30.5%
Snacks-biscuit	Meiji	Hello Panda strawberry 40g	4.5	PT: 4.0; SS: 4.4; KM: 4.4; <b>Avg: 4.3</b>		+5.5%
Snacks-biscuit	Oreo	Original 64.4g	2.5	SV: 2.2; 7E: 2.7; FM: 2.5; MN: 2.8; BHP: 1.9; PT: 2.1; SS: 2.6; KM: 2.2; <b>Avg: 2.4</b>		+5.3%
Snacks- candy	Mentos	Roll mint 37g	1.9	BM: 2.1; 7E: 2.4; FM: 2.6; MN: 2.7; BHP: 1.8; PT: 1.9; SS: 2.0; KM: 2.2; <b>Avg: 2.2</b>		-14.1%
Snacks-candy	Halls	Hall xs mentholyptus 20's	3.3	7E: 3.5; FM: 3.4; MN: 3.6; SS: 3.6; KM: 3.2; <b>Avg: 3.5</b>		-4.6%
Snacks-chips	Lay's	Salted egg flavour 50g	4.9	7E: 5.3; FM: 5.2; MN: 5.7; BHP: 3.8; PT: 4.4; SS: 5.0; <b>Avg: 4.9</b>		0.0%
Snacks-chips	Pringles	Original 102g	9.9	SV: 8.8; BM: 7.9; MN: 9.8; BHP: 7.0; SS: 7.6; KM: 8.7; <b>Avg: 8.3</b>		+19.3%
Snacks-puffs	Twisties	Kaboom! BBQ curry 60g	3.2	SV: 2.8; BM: 2.8; 7E: 3.4; FM: 3.3; MN: 3.5; BHP: 2.4; PT: 2.4; SS: 3.0; KM: 2.5; <b>Avg: 2.9</b>		+10.3%
Snacks-crackers	Double Decker	Prawn crackers 80g	3.5	BM: 2.9; MN: 3.6; PT: 2.5; SS: 3.1; KM: 2.6; <b>Avg: 2.9</b>		+19.0%
Snacks-sunflower kernels	Tong Garden	Honey sunflower kernels 35g	2.3	FM: 2.7; MN: 2.6; BHP: 1.9; PT: 3.6; SS: 3.6; KM: 2.5; <b>Avg: 2.8</b>		-18.3%
Snacks-cereal bar	Koko Krunch	Cereal bar 25g	2.9	BHP: 2.6; PT: 3.2; SS: 3.5; KM: 2.8; <b>Avg: 3.0</b>		-4.1%
Cup noodles	Mamee	Express cup vegetarian 65g	2.5	SV: 2.4; BM: 2.5; 7E: 2.9; FM: 3.3; MN: 3.3; SS: 3.0; <b>Avg: 2.9</b>		-13.8%
Cup noodles	Maggi	Hot cup tom yam 61g	3.5	SV: 3.0; BM: 3.4; 7E: 3.6; FM: 4.0; MN: 4.3; BHP: 2.5; PT: 3.0; KM: 2.9; <b>Avg: 3.3</b>		+4.9%
Sauce	Maggi	Chilli sauce 340g	3.9	SV:4.5; BM: 4.9; MN: 6.1; <b>Avg: 5.2</b>		-24.5%
Tea bags	OSK	Japan green tea 20*2g	14.9	7E: 12.9; MN: 13.9; <b>Avg: 13.4</b>		+11.2%
Instant drink	Aik Cheong	IT's teh tarik 72g	5.5	PT: 6.4; SS: 6.0; KM: 5.0; <b>Avg: 5.8</b>		-5.2%
Malt drink	Milo	Activ-Go kaw can 240ml	3.9	BM: 3.9; MN: 4.8; BHP: 3.1; PT: 3.3; SS: 3.6; KM: 3.3; <b>Avg: 3.7</b>		+6.4%
Oat milk	Oatside	Chocolate oat milk 200ml	3.9	MN: 3.6; BHP: 3.5; SS: 3.7; <b>Avg: 3.6</b>		+8.3%
Soy milk	Yeo's	Soy milk less sugar 1L	4.5	SV: 4.3; BM: 5.1; SS: 4.3; <b>Avg: 4.6</b>		-1.5%
Yoghurt drink	Lactel	Bliss yoghurt drink strawberry 200ml	3.5	BM: 3.5; 7E: 3.9; MN: 4.0; SS: 3.5; KM: 2.9; <b>Avg: 3.6</b>		-1.7%
UHT milk	Dutch Lady	UHT full cream milk 200ml	2.5	BM: 2.3; 7E: 3.1; FM: 2.9; MN: 3.1; BHP: 2.5; PT: 2.2; SS: 2.5; KM: 2.5; <b>Avg: 2.6</b>		-5.2%
UHT milk	Farm Fresh	Banana milk 200ml	3.5	7E: 2.9; FM: 3.2; MN: 3.4; BHP: 2.6; <b>Avg: 3.0</b>		+15.7%
Fruit juice	Tropicana Twister	Apple 355ml	3.9	BM: 3.5; 7E: 3.7; FM: 3.9; MN: 4.2; BHP: 3.1; PT: 3.0; SS: 3.5; KM: 3.2; <b>Avg: 3.5</b>		+11.0%
Soft drink	Coca-Cola	Vanilla 500ml	3.5	7E: 3.9; FM: 4.3; MN: 4.4; BHP: 3.3; PT: 3.0; SS: 3.2; KM: 2.9; <b>Avg: 3.6</b>		-2.0%
Energy drink	Red Bull	Gold can 250ml	4.2	7E: 4.8; FM: 4.3; MN: 5.1; BHP: 3.2; PT: 3.6; SS: 3.9; KM: 3.9; <b>Avg: 4.1</b>		+2.1%
<b>Household</b>						
Disinfectant	Dettol	Antiseptic liquid 500ml	7.9	SS: 6.0		+31.7%
Bleach	Cocorex	Bleach regular 500ml	3.9	SV: 3.5; MN: 3.9; <b>Avg: 3.7</b>		+5.4%
Laundry detergent	Breeze	Power detergent power clean 400g	3.9	SV:4.0; BM:4.9; MN: 5.0; <b>Avg: 4.6</b>		-15.8%
Fabric freshener	Febreze	Fabric anti-bacterial 370ml	12.9	SV: 12.9; MN: 17.0; <b>Avg: 15.0</b>		-13.7%
Air freshener	Glade	Scented gel lavender 180g	11.9	BM: 11.9; 7E: 14.0; BHP: 11.5; SS: 11.5; <b>Avg: 12.2</b>		-2.7%
Air freshener	Ambi Pur	Car clip lavender comfort 2.2ml	14.9	MN: 18.0; SS: 18.5; <b>Avg: 18.3</b>		-18.4%
Dishwashing liquid	Sunlight	Dishwashing liquid lime 400ml	3.5	BM: 4.9; MN: 6.0; <b>Avg: 5.5</b>		-35.8%
Insecticide	Ridsect	Advance aerosol 270ml	8.9	BM: 9.9; MN: 12.0; <b>Avg: 11.0</b>		-18.7%
Battery	Energizer	Max 9V 1pc	16.5	MN: 17.9; BHP: 15.6; KM: 15.6; <b>Avg: 16.4</b>		+0.8%
Battery	Energizer	Max AAA 4pcs long lasting 3X	19.9	MN: 19.6; BHP: 16.9; PT: 18.9; KM: 15.6; <b>Avg: 17.8</b>		+12.1%
<b>Personal care</b>						
Body wash	Dettol	Original antibacterial body wash 250ml	9.9	7E: 10.1; MN: 12.2; <b>Avg: 11.2</b>		-11.2%
Body oil	Johnson's	Bedtime baby oil 50ml	7.9	7E: 8.1; MN: 8.5; <b>Avg: 8.3</b>		-4.8%
Skin moisturizer	Vaseline	Petroleum jelly 50g	6.9	FM: 7.8; MN: 8.0; <b>Avg: 7.9</b>		-12.7%
Sanitary pad	Kotex	Total protection overnight wing 32cm 6's	6.5	MN: 7.0; PT: 6.4; <b>Avg: 6.7</b>		-3.0%
Hair care	Sunsilk	Shampoo smooth & manageable 70ml	5.9	7E: 6.0; FM: 5.3; MN: 5.9; <b>Avg: 5.7</b>		+2.9%
Shaver	Gillette	Blue II Plus 2 sensitive 2's	7.9	FM: 7.1; SS: 7.5; <b>Avg: 7.3</b>		+8.2%
Toothpaste	Darlie	Toothpaste double action 50g	5.5	FM: 5.4; SS: 5.7; <b>Avg: 5.6</b>		-0.9%
Dental floss	Oral B	Satin floss 50m 1's	14.9	MN: 20.0		-25.5%
Mouthwash	Listerine	Cool mint 250ml	14.9	MN: 15.0		-0.7%
Eye drops	Eye Glo	Eye drops regular 10ml	8.5	7E: 8.9; SS: 9.0; <b>Avg: 9.0</b>		-5.0%
Throat relief	Strepsils	Cooling menthol 6's	4.6	SV: 5.9; BM: 5.9; FM: 7.3; MN: 7.2; SS: 6.0; KM: 5.9; <b>Avg: 6.4</b>		-23.0%
Pain relief	Panadol	Soluble 4's	4.5	7E: 4.6; FM: 5.1; MN: 5.8; PT: 4.4; SS: 5.5; <b>Avg: 5.1</b>		-11.4%

8. INDUSTRY OVERVIEW (Cont'd)

FROST & SULLIVAN

Notes: (1) The products were selected randomly based on the availability of the same comparable products during the store visit; (2) Key Convenience Retailers in the convenience retail industry in Malaysia refers to the key players listed in Table 4-4 and 4-5, with stores in Selangor. For forecourt retailers, the selection is based on petrol stations located within neighbourhoods rather than along highways. Convenience marts and convenience stores are selected based on neighbourhood locations rather than within malls; (3) The price shown in the table above refers to the initial retail selling price, i.e., not discounted price. If a product is available at two or more of the key players, the term "Avg" indicates the average of the prices of the key players; (4) Price difference refers to the price of the product of the Company against the key player's or the average of the prices of the key players; Prices retrieved as at the following dates from the following stores: 19<sup>th</sup> September 2025: SUPERVALUE (The Core Kota Damansara) ("SV"), BilaBila Mart (Bandar Utama 4) ("BM"); 20<sup>th</sup> September 2025: KK Super Mart (Edusentral Seksyen U13 and Setia Gemilang), 7-Eleven (Edusentral Seksyen U13) ("TE"), FamilyMart (Eng Ann) ("FM"), myNEWS (Trefoil) ("MN"), BHPetromart (BHP Jalan Meru) ("BHP"), Petron Treats (Petron Jalan Meru 2 (F)) ("PT"), Shell SELECT (Shell Setia Alam) ("SS"), Kedai Mesra (Petronas Batu 2 Jalan Meru) ("KM").

Source: Frost & Sullivan

4.4.3 Benchmarking Versus Selected Grocery-based Retailers

Within the selected grocery-based retailers, the Company has demonstrated the fastest revenue CAGR in the latest three years. This growth can be attributed to the Company's strategic expansion of its store network to better meet consumer demands. Additionally, the Company reported a high profit before tax ("PBT") margin in the latest financial year, indicating efficient operational performance.

Table 4-6: Financial Benchmarking of Selected Grocery-based Retailers in Malaysia, 2024/2025

Company	Type of grocery-based retailers	FYE	Revenue (RM mil)	Latest three years revenue CAGR	Gross profit margin (%) <sup>(1)</sup>	PBT margin (%) <sup>(2)</sup>
The Company	Convenience mart	30 Jun 25	1,567.2	19.5%	28.8%	8.4%
7-Eleven Malaysia Holdings Bhd	Convenience store	31 Dec 24	2,925.5	17.3%	30.9%	2.5%
Mynews Holdings Bhd <sup>(3)</sup>		31 Oct 25	878.5	11.6%	38.3%	3.1%
99 Holdings Bhd	Mini-market	31 Dec 24	9,981.6	8.4%	11.1%	6.6%
Trendcell Sdn Bhd	Supermarket	31 Dec 24	2,155.3	NA <sup>(4)</sup>	21.0%	3.5%
TFP Retail Sdn Bhd		31 Oct 24	1,185.5	0.9%	27.5%	7.5%
Mydin Mohamed Holdings Berhad	Hypermarket + supermarket	31 Mar 25	3,018.4	7.1%	19.1%	-0.6%
Lotuss Stores (Malaysia) Sdn Bhd	Hypermarket	31 Dec 24	4,765.9	NA <sup>(4)</sup>	18.3%	2.2%
AEON Big (M) Sdn Bhd		31 Dec 24	1,417.4	-0.4%	19.6%	-4.7%

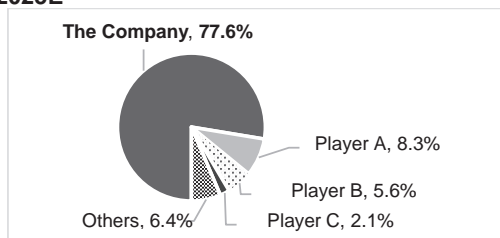
Notes: Information based on the latest available audited financial data reported by selected players as at 28 February 2026. The list of selected players may not be exhaustive, and the information is provided for reference only. The selected players are sorted first based on the type of grocery-based retailer, and then by revenue. The selected grocery-based retailers are either publicly listed or have reported a revenue of more than RM500 million in the latest financial statement available as at 28 February 2026. The revenue and PBT reported may be derived from other non-grocery-based retail activities. NA indicates not available; (1) Computed based on gross profit divided by revenue; (2) Computed based on PBT divided by revenue; (3) Mynews Holdings Berhad, through its subsidiaries, operates retail brands such as myNews, SUPERVALUE and CU. (4) Not available due to non-comparable historical revenue.

Source: Respective companies' audited financial statements; Frost & Sullivan

4.4.4 Market Share

The Company is the leading convenience mart in Malaysia, holding the largest market share of 77.6% in 2025E. <sup>15</sup> Among the convenience retailers, the Company stands out as one of the largest convenience retailers, holding a market share of 14.9% in the same year. <sup>16</sup> Within this segment, the Company expanded with a market share of 10.6% in 2020 to 14.9% in 2025E. In Malaysia, the Company is also one of the key grocery-based retailers, holding a market share of 1.8% in 2025E, based on revenue.

Chart 4-4: The Company's Market Share by Revenue in the Convenience Marts Segment in Malaysia, 2025E



Notes: Information based on (1) Market share estimates derived from the latest available financial data reported by selected players as at 28 February 2026; (2) The category labelled as "Others" includes convenience marts with a market share that is estimated to be less than 2.0% in 2025E, and other players for which financial information is not available or cannot be estimated; (3) The revenue reported may include revenue derived from other non-convenience marts retail activities; (4) The revenue is estimated for the Financial Year January-December 2025 for key industry players that have a different financial reporting period.

Source: Frost & Sullivan

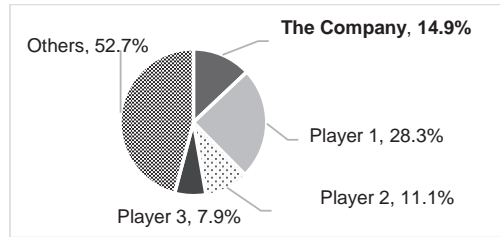
<sup>15</sup> The Company's market positioning in 2025E is confirmed by comparing its annualised revenue in 2025 against the estimated revenue of other similar convenience marts reported in the table "Selected Key Players in the Convenience Marts Segment in Malaysia". The revenue data may not have been available for all players. Therefore, Frost & Sullivan has estimated their revenue based on various factors, including the number of established stores, the indicative revenue per store, and the industry average growth rate, amongst others.

<sup>16</sup> The Company's market positioning in 2025E is confirmed by comparing its annualised revenue in 2025 against the estimated revenue of other similar convenience retailers reported in the table "Selected Key Players in the Convenience Retail Segment in Malaysia". The revenue data may not have been available for all players. Therefore, Frost & Sullivan has estimated their revenue based on various factors, including the number of established stores, the indicative revenue per store, and the industry average growth rate, amongst others.

## 8. INDUSTRY OVERVIEW (Cont'd)

F R O S T & S U L L I V A N

**Chart 4-5: The Company's Market Share by Revenue in the Convenience Retail Segment in Malaysia, 2025E**



Notes: Information based on (1) Market share estimates derived from the latest available financial data reported by selected players as at 28 February 2026; (2) The category labelled as "Others" includes convenience retailers with a market share that is estimated to be less than 5.0% in 2025E, and other players for which financial information is not available or cannot be estimated; (3) The revenue reported may include revenue derived from other non-convenience retail activities; (4) The revenue is estimated for the Financial Year January-December 2025 for key industry players that have a different financial reporting period.

Source: Frost & Sullivan

### 4.5 SUMMARY PROSPECTS AND OUTLOOK OF THE CONVENIENCE RETAIL INDUSTRY

The convenience retail industry in Malaysia is forecasted to grow in the period from 2025E to 2030F. It has the potential to grow towards the level of Thailand and Japan, which have higher sales value per capita. The resilient economy encourages consumer spending and fosters the expansion of the retail industry, which includes convenience retailers. In addition, the desire for smaller, more easily navigable grocery stores is being driven by the nation's urbanisation and population growth trends. The convenience retail industry is a robust sector that can endure economic uncertainties, as evidenced by resilient spending on food and non-alcoholic drinks.

Due to the growing popularity of convenience shopping, which is fuelled by busy, fast-paced lifestyles, convenience retailers are in high demand. The increasing demand for RTE meals positions convenience retailers as viable alternatives for consumers seeking versatile foodservice solutions, creating new avenues for sales growth. This is particularly relevant as busy lifestyles drive the need for quick and accessible meal options. The convenience retail sector is also benefiting from high internet and smartphone penetration rates in Malaysia, which facilitate mobile ordering and delivery services. These digital technologies enhance customer experience and streamline operations, allowing stores to reach a broader audience and cater to the evolving preferences of consumers. These advantageous elements not only foster a favourable atmosphere but also open the door for the nation's convenience retail to flourish and grow rapidly.

### 5 SUMMARY PROSPECTS AND OUTLOOK FOR THE COMPANY

The Company is the leading convenience mart in Malaysia by number of stores as at 28 February 2026 and revenue in 2025E. The Company is also the fastest-growing among the selected convenience retailers in Malaysia, by number of stores, from 2022 to 2025. Within the convenience retail industry, the convenience mart segment is experiencing robust growth with the potential for further expansion. This presents opportunities for industry players, including the Company, which has established itself as a key player in Malaysia. As a homegrown entity, the Company is well-positioned to leverage the increasing demand for convenience shopping driven by urbanisation, changing consumer lifestyles, and rising household income.

The wide variety of products, including household and grocery items, coupled with additional services such as bill payment and top-up services, further attracts customers. Via the range of private label products, the Company provides more options to customers while controlling both the quality and price of its products. Operating with extended hours of up to 24 hours through three distinct business models—KK Super Mart, KK Concept Store, and KK Signature Store—the Company meets varying customer needs. KK Concept Store, which focuses on RTE meal offerings, and KK Signature Stores, which are unmanned stores, are strategically positioned to leverage growth opportunities arising from urbanisation trends. The emphasis on RTE meals by KK Concept Store aligns with the increasing demand for RTE meals in densely populated urban areas, while the unmanned KK Signature Store model utilises technological advancements to enhance operational efficiency and reduce overhead costs. As a result, it has established itself as a convenient spot for customers seeking urgent and/or daily necessities, beyond normal business hours. The Company also provides delivery services via its own website and partnerships with delivery aggregators to support doorstep requests from customers.

With widespread geographical coverage, the Company is able to expand its customer base and enhance its competitive position in the market. Its presence in both residential and commercial areas caters to diverse market segments. The Company continuously identifies areas with unmet market needs and significant growth potential, such as Penang and Johor, with high population density. With ongoing plans to expand its geographical footprint, the Company is positioned to increase its market share in grocery retailing. The Company's strategic focus on resilient consumer demand, alignment with market needs, and its competitive advantages ensure that it is well-prepared for future growth.