

**KR1M: RM40mil not for subsidies**  
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Mydin Mohamed Holdings Bhd managing director Ameer Ali Mydin clarified today that the RM40 million allocation allocated to Kedai Rakyat 1Malaysia (KR1M) under the Budget 2012 is only for the setting up of the outlets.

No product sold in KR1M is subsidised by the government except cooking oil, flour and sugar, which are a controlled items nationwide.

"The RM40 million is supposed to be used as capex (capital expenditure) for opening shops, which includes decorations, shelves and the like," Ameer (middle) told a press conference at the 1Malaysia shop in Kelana Jaya this afternoon.

However, the RM40 million allocation will not cover KR1M's rental cost.

The thrift store chain - the brainchild of Prime Minister Najib Abdul Razak - aims to have 31 outlets in Peninsula Malaysia by year end before venturing to East Malaysia next year.

Ameer said KR1M can sustain itself by offering generic products without a brand name, as it has a higher profit margin compared to branded products.

"Because when you buy a branded product, you will compare between one another. But for generic product you can't compare," he said.

12 petrol stations selling KR1M products

He assured that the quality of the products was assured as the it was benchmarked against branded products.

"Now 1Malaysia products is already a brand," he said.

On the briefing for Petronas petrol kiosk operators at the Mydin headquarters this morning, Ameer clarified that the event was to discuss a proposal for petrol kiosk operators to sell KR1M products.

He said that KR1M had sought the help of the of the relevant ministries to arrange the meeting. He said Petronas and other petrol kiosk operators had expressed interest in selling the product.

Thus far, two Petronas and 10 Caltex petrol stations have already begun selling KR1M products.

"We are trying to convince them to make their stations a place to shop, and not just for filling petrol.

"They can smell the money already... and also want to help the people," he said.

Ameer said there was absolutely no compulsion on the part of petrol kiosk operators to buy KR1M products.

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