BERJAYA FOOD BERHAD

(Company No. 876057-U)

Annual Report 2012

CONTENTS

CORPORATE PROFILE

The irresistible Kenny's Home-made Muffin is one of KRR's famous side dishes.

Roasted Chicken Salad is an all-time favourite on the menu.

Beef Bolognaise Spaghetti is one of the pasta selections offered by KRR.

BERJAYA FOOD BERHAD ("BFOOD") WAS INCORPORATED IN MALAYSIA ON 21 OCTOBER 2009. IT WAS CONVERTED INTO A PUBLIC LIMITED COMPANY ON 3 DECEMBER 2009. BFOOD WAS LISTED ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD ON 8 MARCH 2011. AS PART OF THE LISTING SCHEME, BERJAYA ROASTERS (M) SDN BHD ("BROASTERS") WAS ACQUIRED AND BECAME A WHOLLY-OWNED SUBSIDIARY OF BFOOD IN JANUARY 2011.

The Group through BRoasters is engaged in developing and operation of the Kenny Rogers Roasters ("KRR") chain of restaurants in Malaysia. On 26 July 2011, BFood entered into a joint venture agreement with PT Mitra Samaya, Indonesia, PT Harapan Swasti Sentosa, Indonesia and PT Boga Lestari Sentosa, Indonesia ("PT Boga") to develop and operate the Kenny Rogers Roasters ("KRR") franchise in Java island and Bali, Indonesia under PT Boga. A new wholly-owned subsidiary under the name of Berjaya Food (International) Sdn Bhd ("BFI") was incorporated in Malaysia to undertake the joint venture of the KRR business in Indonesia. The joint venture was completed on 16 January 2012 and PT Boga is a 51%-owned subsidiary of BFI.

On 19 July 2012, BFood completed the acquisition of 11,500,000 ordinary shares of RM1.00 each, representing 50% equity interest in Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks") for a cash consideration of RM71.7 million.

Kenny Rogers Roasters ("KRR")

BFood's holding company, Berjaya Group Berhad ("BGroup") effectively holds the worldwide KRR brand including the KRR franchise following BGroup's acquisition of KRR International Corp, USA in April 2008.

The Group's restaurants feature rotisserie-roasted chicken as their main core product complemented by a variety of hot and cold side dishes and KRR's famous muffins, jacket potatoes, vegetable salads, pasta, soups, desserts and beverages served in a friendly and comfortable environment. All KRR restaurants serve their customers in a full service, mid-casual dining setting with free "Wi-Fi" services, providing customers with a wholesome dining experience.

Starbucks

Starbucks in Malaysia is operated by BStarbucks, a joint-venture between Starbucks Coffee International, Inc., USA and Berjaya Group Berhad. From its first store opening in Kuala Lumpur on 17 December 1998, Starbucks has expanded to Sabah and Sarawak and is now into its 14th year of operations. Starbucks has more than 125 stores nationwide and is recognised as the leading specialty coffee company and industry benchmark in Malaysia.

Starbucks Coffee offers innovative hand-crafted beverages.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Robin Tan Yeong Ching
Executive Chairman

Dato' Lee Kok Chuan
Chief Executive Officer

Tan Thiam Chai
Non-Independent Non-Executive Director

Datuk Zainun Aishah Binti Ahmad
Independent Non-Executive Director

Dato' Mustapha Bin Abd Hamid
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Datuk Zainun Aishah Binti Ahmad
Chairman/Independent Non-Executive Director

Dato' Mustapha Bin Abd Hamid
Independent Non-Executive Director

Tan Thiam Chai
Non-Independent Non-Executive Director

SECRETARIES

Su Swee Hong (MAICSA No. 0776729)
Gan Swee Peng (MAICSA No. 7001222)

SHARE REGISTRAR

Berjaya Registration Services Sdn Bhd
Lot 06-03, Level 6, East Wing
Berjaya Times Square
No.1, Jalan Imbi
55100 Kuala Lumpur
Tel : 03-2145 0533
Fax : 03-2145 9702

AUDITORS

Ernst & Young (AF:0039)
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : 03-7495 8000
Fax : 03-2095 5332

REGISTERED OFFICE

Lot 13-01A, Level 13 (East Wing)
Berjaya Times Square
No. 1, Jalan Imbi
55100 Kuala Lumpur
Tel : 03-2149 1999
Fax : 03-2143 1685

PRINCIPAL BANKERS

AmBank (M) Berhad
Malayan Banking Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

STOCK SHORT NAME

BJFOOD (5196)

PLACE OF INCORPORATION AND DOMICILE

Malaysia

PROFILE OF DIRECTORS

DATO' ROBIN TAN YEONG CHING
38 years of age, Malaysian
Executive Chairman

He was appointed as a Director and Executive Chairman of the Company on 20 May 2010. He is also a member of the Remuneration Committee and Employees' Share Option Committee.

He graduated with a Bachelor of Social Science degree in Accounting/Law from the University of Southampton, United Kingdom, in 1995. He joined Berjaya Group Berhad in 1995 as an Executive and subsequently became the General Manager, Corporate Affairs in 1997.

Currently, he is the Chairman and Chief Executive Officer of Berjaya Corporation Berhad, the Chief Executive Officer of Berjaya Sports Toto Berhad and an Executive Director of Sports Toto Malaysia Sdn Bhd. He is also the Chairman of Berjaya Media Berhad, Sun Media Corporation Sdn Bhd and Informatics Education Limited, Singapore and a Director of Berjaya Sompo Insurance Berhad, Berjaya Hills Berhad, Berjaya Golf Resort Berhad, KDE Recreation Berhad, Berjaya Roasters (M) Sdn Bhd and Berjaya Starbucks Coffee Company Sdn Bhd. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

His father, Tan Sri Dato' Seri Vincent Tan Chee Yioun, is a major shareholder of the Company.

DATO' LEE KOK CHUAN
53 years of age, Malaysian
Chief Executive Officer

He was appointed as a Director and Chief Executive Officer of the Company on 20 May 2010. He is also the Chairman of the Employees' Share Option Committee.

He graduated with a Bachelor of Economics (Accounting Major) from Monash University, Melbourne, in 1983 and is a Fellow Member of the Institute of Chartered Accountants in Australia. He has over 10 years of working experience in the fields of accounting, auditing and corporate services with major international accounting firms including Messrs Ernst & Whinney (Kuala Lumpur) (now known as Ernst & Young), Messrs Arthur Young (Melbourne) and subsequently, Messrs Ernst & Young (Melbourne). He joined Berjaya Land Berhad as Senior Manager, Internal Audit in 1994 and was responsible for its internal audit functions. He was an Executive Director of Berjaya Group Berhad from January 2000 to September 2001.

He is currently a Director of Silver Bird Group Berhad, Berjaya Capital Berhad, Berjaya Auto Berhad and Berjaya Roasters (M) Sdn Bhd. He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

PROFILE OF DIRECTORS

TAN THIAM CHAI

53 years of age, Malaysian
Non-Independent Non-Executive Director

He was appointed to the Board on 20 May 2010 as a Non-Independent Non-Executive Director. He is also a member of the Nomination Committee and Audit and Risk Management Committee.

He graduated with a Diploma in Commerce (Financial Accounting) from Kolej Tunku Abdul Rahman and also completed The Association of Chartered Certified Accountants (UK) professional course in 1981. He is a Fellow member of the Association of Chartered Certified Accountants (UK) since 1990 and also a member of the Malaysian Institute of Accountants.

He started work with an accounting firm in Kuala Lumpur for about 2 years and thereafter served in various Finance and Accounting positions with the Hong Leong Group of Companies in Malaysia as well as in Hong Kong for about 8 years. He joined the Berjaya Corporation Group of companies in early 1991 as a Finance Manager of an operating subsidiary and was promoted to Operation Manager later that year. In 1992, he was transferred to the Corporate Head Office of Berjaya Group Berhad to head the Group Internal Audit function and subsequently in 1993, he was promoted to oversee the Group Accounting function of Berjaya Group Berhad.

Currently, he is the Chief Financial Officer of Berjaya Corporation Berhad. He is also an Executive Director of Berjaya Land Berhad and Berjaya Assets Berhad, a Director of Magni-Tech Industries Berhad, Indah Corporation Berhad, Cosway Corporation Berhad, Cosway Corporation Limited (Hong Kong) and Taiga Building Products Ltd (Canada).

He also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

DATUK ZAINUN AISHAH BINTI AHMAD

66 years of age, Malaysian
Independent Non-Executive Director

She was appointed to the Board as an Independent Non-Executive Director on 20 May 2010. She is the Chairman of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee. She is also a member of the Employees' Share Option Committee.

She graduated with a Bachelor of Economics degree from University Malaya. She began her career and worked with Malaysian Industrial Development Authority ("MIDA"), the Malaysian government's principal agency for the promotion and coordination of industrial development in the country for 35 years. In her 35 years of service, she has held various key positions in MIDA as well as in some of the country's strategic council, notably her pivotal role as the National Project Director in the formulation of the first Malaysian Industrial Master Plan. She was the Director-General of MIDA for 9 years and Deputy Director-General for 11 years. Whilst in MIDA, she also sat on various committees/authorities at national level, including being a member of the Industrial Coordination Act Advisory Council, Defence Industry Council and National Committee on Business Competitiveness Council, Malaysia Incorporated and the National Project for Majlis Penyalarasan Perindustrian before retiring in September 2004.

She was previously a Director of Tenaga Nasional Berhad and Malayan Banking Berhad and resigned on 7 June 2004 and 22 July 2009 respectively. Currently, she is a Director of Degem Berhad, Microlink Solutions Berhad, Scomi Engineering Berhad, Pernec Corporation Berhad, Shell Refining Company (Federation of Malaya) Berhad, British American Tobacco (Malaysia) Berhad and Berjaya Media Berhad.

PROFILE OF DIRECTORS

DATO' MUSTAPHA BIN ABD HAMID

59 years of age, Malaysian
Independent Non-Executive Director

He was appointed to the Board as an Independent Non-Executive Director on 20 May 2010. He is also a member of the Nomination Committee, Remuneration Committee and Audit and Risk Management Committee.

He graduated from the Royal Military College in 1972 and went on to obtain a Bachelor Degree (Honours) in Social Science from Universiti Sains Malaysia, Penang, in 1977, and a Diploma in Public Management from the National Institute of Public Administration Malaysia (more commonly known as INTAN) in 1978. He started his career as an Administrative and Diplomatic Officer of the Research Division in the Prime Minister's Department and was posted as the First Secretary of the Malaysian Embassy in Paris, France (1982-1985). During his 16 years in the public service sector, he was also the Consul of Consulate General Malaysia in Medan, Indonesia (1990-1993) and the Principal Assistant Director in the Prime Minister's Department (1993-1994). He is also a Director of Teo Guan Lee Corporation Berhad and Acmar FHP Group Berhad. He also holds directorship positions in several other private limited companies.

Save as disclosed, none of the Directors have:

1. *any family relationship with any Director and/or major shareholder of the Company;*
2. *any conflict of interest with the Company; and*
3. *any convictions for offences within the past 10 years other than traffic offences.*

CHAIRMAN'S STATEMENT AND REVIEW OF OPERATIONS

ON BEHALF OF THE BOARD OF DIRECTORS OF BERJAYA FOOD BERHAD ("BFOOD"), I AM PLEASED TO PRESENT THE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2012.

FINANCIAL RESULTS

For the financial year ended 30 April 2012, BFood registered an increase in revenue from RM71.94 million in the previous year to RM88.60 million this year. Pre-tax profit increased to RM14.64 million from RM12.58 million in the previous year. The increase in revenue and pre-tax profit were mainly due to the increase in the number of restaurants operating in the financial year under review as well as the effect of consolidating the revenue of PT Boga Lestari Sentosa ("PT Boga") in Indonesia.

DIVIDEND

For the financial year ended 30 April 2012, the Company had declared and paid two interim dividends of an aggregate of 4.5 sen single-tier exempt dividend per share.

This total net dividend distribution declared and paid for the financial year ended 30 April 2012 of 4.5 sen single-tier exempt dividend amounted to RM6,433,000 which translates to 57.82% of net profit for the year.

SIGNIFICANT CORPORATE DEVELOPMENTS

The significant corporate developments during the financial year under review include the following:

1. On 27 July 2011, a new wholly-owned subsidiary under the name of Berjaya Food (International) Sdn Bhd ("BFI") was incorporated in Malaysia to undertake the joint venture of the KRR business in Indonesia. The principal activity of BFI is investment holding.

   The joint venture was completed on 16 January 2012 and PT Boga is now a 51%-owned subsidiary of BFI.

The signing ceremony between BFood and PT Boga Lestari Sentosa in December 2011.

2. On 25 August 2011, BFood entered into a conditional Shares Sale Agreement ("SSA") with Berjaya Group Berhad, a wholly-owned subsidiary of Berjaya Corporation Berhad for the acquisition of 11,500,000 ordinary shares of RM1.00 each, representing 50% equity interest in Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks") for a cash consideration of RM71.7 million ("Acquisition") and proposed renounceable rights issue of up to 118,944,800 new ordinary shares of RM0.50 each in BFood ("BFood Shares") ("Rights Shares") together with up to 118,944,800 free detachable warrants ("Warrants") on the basis of four (4) Rights Shares together with four (4) Warrants for every five (5) BFood Shares held by the entitled shareholders of BFood at an issue price of RM0.65 per Rights Share ("Rights Issue").

   The Acquisition of the 50% equity interest in BStarbucks from Berjaya Group Berhad was completed on 19 July 2012 whilst the Rights Issue was completed on 9 August 2012 and the 115,081,760 new shares and 115,081,760 warrants arising from the Rights Issue was listed on the Main Market of Bursa Malaysia Securities Berhad on 13 August 2012.

CHAIRMAN'S STATEMENT AND REVIEW OF OPERATIONS

The new KRR restaurant in AEON Rawang Shopping Centre, Selangor.

KRR bagged the BrandLaureate Best Brands Awards 2010-2011 (Food and Beverage) for its famous signature rotisserie-roasted chicken.

REVIEW OF OPERATIONS

As of 30 April 2012, there are 74 Kenny Rogers Roasters ("KRR") restaurants across Malaysia with a total of 12 new restaurants opened during the financial year. Fifteen more restaurants are in the pipeline to be opened in the current financial year ending 30 April 2013.

In Indonesia, there are 8 KRR restaurants as of 30 April 2012, with 15 additional restaurants planned for opening in the financial year 2013. BFood is on track to achieve a growth of 41% in store openings for both its Malaysia and Indonesia operations for the financial year 2013.

The KRR brand had expanded in both the local and international markets. Most notably, BFI completed the acquisition of 51% equity interest of PT Boga in Indonesia in January 2012.

The KRR brand continues to maintain its reputation as a mid-casual dining restaurant which serves not only tasty but wholesome meals. This reputation is supported by aggressive expansion plans, attractive promotions and consistency in delivering quality service and meals at its establishments. KRR has also received great visibility in the media through its various promotions such as Roasters Eating Day and health awareness programmes such as the Roasters Health Watch, which encouraged participants to stay fit through an 8-week health management programme.

In March 2011, KRR won the BrandLaureate Best Brands Awards 2010-2011 under the Food & Beverage category for its famous signature rotisserie-roasted chicken.

The vibrant feel of the interior ambience in the first KRR restaurant in Miri, Sarawak, located in Bintang Megamall.

CHAIRMAN'S STATEMENT AND REVIEW OF OPERATIONS

The variety of seasonal food promotions offered by KRR – (top left clockwise) Kenny's Oriental Chicken, Kenny's Balinese Chicken, Kenny's Roast Lamb and Mexicano Baked Fish.

Alternative Meal Offerings

KRR consistently adds more variety to its core menu by bringing in a variety of seasonal food promotions. In 2011, KRR introduced a variety of food promotions including Bangers & Mash, Junior Treat, Mexicano Baked Fish, Kenny's Phoenix Chicken, Dynasty Chicken and Kenny's Oriental Chicken. Some food promotions such as Kenny's Roast Lamb and Kenny's Balinese Chicken were re-introduced due to popular demand by customers.

KRR also expanded its menu offerings with the introduction of its Breakfast menu at selected strategic restaurants, Tea Time menu and additional desserts such as Warm Chocolate Oasis, Classic Cheese Cake and Chocolate Fudge Cake.

KRR's commitment to healthy eating from an early age also saw the introduction of the Junior Treat menu. The menu makes wholesome and well-balanced meals more attractive to junior customers and more affordable for parents.

While KRR adds variety to its menu through its seasonal offerings, its signature dishes such as the Kenny's Quarter Meal, jacket potato meal and pasta dishes remain the primary choice for KRR customers.

KRR Tea Time menu – Toasted Tortilla Wrap (left) and Caesar Salad Supreme & Classic Garden Salad.

KRR Desserts menu – Chocolate Fudge Cake & Classic Cheese Cake (left) and Warm Chocolate Oasis.

CHAIRMAN'S STATEMENT AND REVIEW OF OPERATIONS

Patrons enjoying the Roasters Eating Day promotion of two Kenny's Quarter Meals for the price of one by wearing the colour red.

Wholesome Meals to The Doorstep

Roasters Catering and Delivery delivers quality and wholesome meals right to the doorstep at selected areas in East and West Malaysia via its centralised call centre – 1300-888-878.

With its "Park, Cook, Serve" concept, the Roasters On The Move ("ROTM") mobile restaurant is suited for a variety of events which require outdoor catering. ROTM has the capacity of serving up to 200 guests with hot and wholesome KRR meals.

Following the success of Roasters Eating Day (RED) in 2011, KRR carried out RED for the third consecutive year in 2012 to encourage awareness among the general public on healthy eating. In conjunction with RED, KRR collaborated with RedFM and Traxx FM to give out KRR vouchers to listeners who called in to their radio programmes. The participation received from the public was overwhelming and RED has become an annual promotional campaign to be held on the second Wednesday of each New Year.

Roasters Catering and Delivery delivers hot wholesome meals to the doorstep.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Reaching Out and Giving Back to The Communities

As a brand that advocates healthy living through its *"Less Fat… Less Salt… Less Calories…"* tagline, KRR is committed to its mission in promoting and encouraging healthy living among Malaysians while not forgetting the less fortunate in the communities.

Since the inception of KRR's Community Chest Campaign, KRR continued to give back to society through various CSR initiatives such as its annual Roasters Chicken Run, Jamuan Raya and Wishing Tree campaigns, as well as visitation to children's and old folk's homes.

KRR visited the Rumah Sejahtera Seri Setia old folk's home in Sungai Way during Chinese New Year.

CHAIRMAN'S STATEMENT AND REVIEW OF OPERATIONS

International football legend, Abbas Saad (in black, last row) conducted a football clinic for the underprivileged children.

In support of the local performing arts, KRR and Berjaya Corporation Berhad jointly presented The Wizard of Oz – The Musical.

The Roasters Chicken Run 2012 saw more than 3,000 participants running while juggling an egg on a cone and attracted runners from all walks of life. The charity event raised RM60,000 for The Little Yellow Flower (previously known as Hope Education Foundation) to support their Nutrition, Lunch and Tuition programme benefiting children from urban poor families. This programme provides needy children with daily nutritious meals, extra tuition lessons and reading materials as part of the initiatives to help break the cycle of poverty through education. To date, the Roasters Chicken Run has raised more than RM365,000 for various non-governmental and charitable organisations.

The annual Wishing Tree campaign which grants simple wishes of underprivileged children brought a surprise with the participation of international football legend, Abbas Saad who helped in the distribution of gifts and conducted a football clinic for these children. More than 1,800 underprivileged children nationwide benefited from this campaign.

In support of the growth and development of local performing arts, KRR and Berjaya Corporation Berhad jointly presented The Wizard of Oz – The Musical which was staged professionally for the first time in Malaysia.

KRR and Its Great Team Members

KRR recognises that employees are vital contributors to the success of the company. To this end, employees are continuously encouraged and motivated through various company activities and development programmes such as the Annual Business Plan Meeting, Leadership Convention, sports competitions, team building activities as well as incentives and rewards programmes. In line with its aggressive business expansion plan, KRR also offers career opportunities for its employees in other countries which provide great international exposure and career advancement opportunities.

Roasters Chicken Run 2012 raised RM60,000 for The Little Yellow Flower to support the underprivileged children.

Malaysian artiste, Sinje Lee, and founder of The Little Yellow Flower received the contribution of RM60,000 from the Roasters Chicken Run 2012.

CHAIRMAN'S STATEMENT AND REVIEW OF OPERATIONS

Employees challenged by the sea rafting activity in the outdoor team building training.

The colourful "i.care Box" has five compartments and comes in 5 attractive colours.

KRR also endorses CSR at the workplace by encouraging its team members to lead a healthy and positive lifestyle via its monthly programme, Support Centre Healthy Day Out (SCHDO) which aims to cultivate a "close to nature" mindset through healthy outdoor activities.

Small Steps to Care for the Environment

To help encourage the message of green consciousness and minimising the impact on the environment, KRR has introduced its "I Love i.care" campaign which encourages the usage of the reusable "i.care Box" and "i.care Bag". Since its introduction in November 2011, KRR has sold more than 40,000 sets of the new "i.care Box" as of 30 April 2012.

Group Synergy

Apart from organising its own CSR activities, KRR also supported CSR activities undertaken at the Berjaya Group level driven by Berjaya Cares Foundation.

One significant event driven at the Group level is the annual Berjaya Founder's Day event celebrated on 25 February 2012 at Berjaya Times Square. The family day-themed event also saw active participation from KRR senior management who coordinated more than 30 sumptuous carnival food stalls catering to approximately 20,000 Berjaya employees and their family members. KRR also served more than 3,500 Kenny's Special Quarter Meals which were a huge hit among the carnival-goers.

This year's celebration was made more memorable as it coincided with the Group's founder, Tan Sri Dato' Seri Vincent Tan's 60th Birthday. During the event, Tan Sri Dato' Seri Vincent Tan and the Group contributed RM11.6 million to 61 non-profit and charitable organisations. These non-profit and charitable organisations include those that support community, education, and health causes as well as environmental awareness and animal protection.

Roasters On The Move served approximately 20,000 Berjaya employees and their family members during Berjaya Founder's Day 2012.

CHAIRMAN'S STATEMENT AND REVIEW OF OPERATIONS

KRR provided wholesome meals to the children at Rumah K.I.D.S.

KRR's Junior Treat menu specially caters for junior customers.

Apart from this, KRR was also actively involved in numerous charitable home visits organised by Berjaya Cares Foundation bringing cheer and joy to the lives of the less fortunate while providing healthy and delicious KRR meals for their enjoyment.

FUTURE PROSPECTS

The Malaysian Government has introduced a comprehensive Economic Transformation Plan (ETP) to propel Malaysia into a high-income nation by 2020. With the rollout of projects under the ETP, Malaysia's economy is likely to remain resilient with the domestic sector continuing to drive growth in Malaysia.

The food and beverage industry in Malaysia is expected to be increasingly competitive due to a large variety of existing food chain restaurants and the introduction of new fusion foods into the market. The multi-racial culture is also a factor in the increase of a mixed combination of traditional food and western cuisine. Malaysians have also become increasingly discerning on food quality as well as service standards.

In order to maintain its market share in the increasingly competitive food industry, KRR is continuously improving its service levels and expanding its food menu offerings while retaining its healthy concept following its brand philosophy "Deliciously Healthy". Its seasonal food promotions and introduction of breakfast and tea time menus will also provide a wider selection of choice to consumers. The introduction of KRR's Junior Treat menu will help instill the value of healthy eating among the young consumers. Due to the busy lifestyles of working parents, the demand on restaurants and catering services is expected to increase as well.

The Group will continue to drive for sustainability and profitability in its Malaysian and Indonesian businesses. It will continue to improve on its operational aspects, and focus on customer-oriented service training in line with its aggressive business expansion plan.

Based on the expectation that the current level of operating costs will not increase materially, the Board of Directors is of the view that the opening of additional KRR restaurants in the next financial year in accordance with its business plan for Malaysia and Indonesia as well as the recent acquisition of Berjaya Starbucks Coffee Company Sdn Bhd will likely enhance the Group's performance going forward.

APPRECIATION

On behalf of the Board, I would like to thank all our customers, business partners and regulatory authorities for their support and confidence in our Group.

I would also like to thank the management and staff of BFood whose dedication in ensuring good quality food and providing customer-oriented service is integral to the success of the Group.

Lastly, I would like to thank my fellow colleagues on the Board for their guidance and support throughout the year. It has been a progressive journey and I look forward to their continued cooperation and support as we continue to expand the Group further.

Happy healthy eating!

DATO' ROBIN TAN YEONG CHING
Executive Chairman

10 September 2012

GROUP FINANCIAL SUMMARY

Description	2012 USD'000	2012 RM'000	2011 RM'000	2010 RM'000	2009 RM'000	2008 RM'000
Revenue	29,182	88,598	71,938	60,415	51,896	42,403
Profit Before Tax	4,820	14,635	12,575	10,401	13,588	8,361
Profit For The Year	3,618	10,984	10,193	8,680	12,614	6,689
Profit Attributable To Shareholders	3,665	11,126	10,193	8,680	12,614	6,689
Share Capital #	23,629	71,738	70,883	70,674	70,674	70,674
Reserves #	(5,160)	(15,667)	(20,090)	(30,487)	(39,167)	(51,261)
Net Equity Funds	**18,469**	**56,071**	**50,793**	**40,187**	**31,507**	**19,413**
Non-controlling Interests	834	2,533	–	–	–	–
Total Equity	**19,303**	**58,604**	**50,793**	**40,187**	**31,507**	**19,413**
Long Term Liabilities	1,349	4,097	2,982	1,837	1,559	1,433
Current Liabilities	5,491	16,670	10,507	7,965	8,785	7,606
Total Equity and Liabilities	**26,143**	**79,371**	**64,282**	**49,989**	**41,851**	**28,452**
Property, Plant & Equipment	8,345	25,335	19,010	19,601	17,964	14,159
Goodwill	441	1,340	986	986	–	–
Other Non-Current Assets	36	108	–	–	–	–
Current Assets	17,321	52,588	44,286	29,402	23,887	14,293
Total Assets	**26,143**	**79,371**	**64,282**	**49,989**	**41,851**	**28,452**
Net Assets Per Share (US$/RM)	0.13	0.39	0.36	0.28	0.22	0.14
Net Earnings Per Share (Cents/Sen)	2.58	7.83	7.21	6.14	8.92	4.73
Dividend Rate (%)	9.00	9.00	6.00	–	–	–
Net Dividend Amount (USD'000/RM'000)	2,118	6,433	4,257	–	–	–

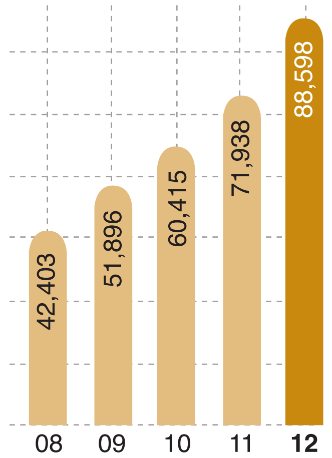
Notes:
Figures for 2008-2012 are for 12 months ended 30 April. Where additional shares are issued, the earnings per share are calculated based on a weighted average number of shares.

In applying merger method of accounting, comparative figures in the consolidated financial statements are restated as if the issue of shares for the acquisition of Berjaya Roasters Sdn Bhd had taken place as at the earliest date presented.

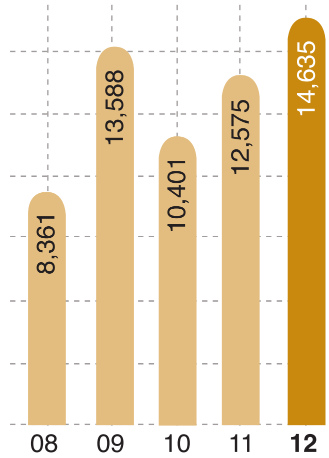
Exchange rate: US$1.00=RM3.036

GROUP FINANCIAL HIGHLIGHTS

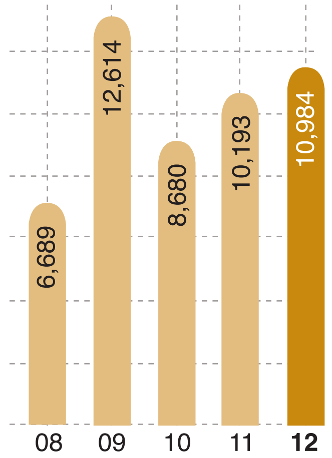
Revenue (RM' Thousand)



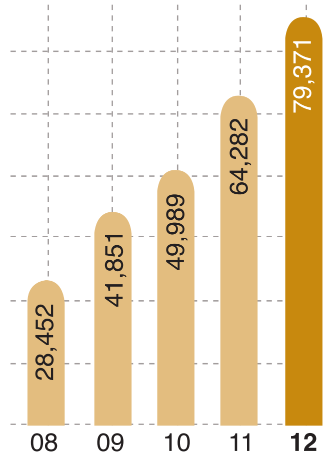
Profit Before Tax (RM' Thousand)



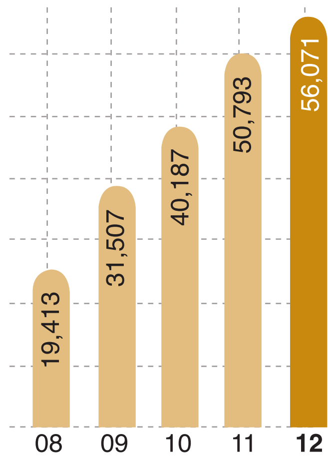
Profit for The Year (RM' Thousand)



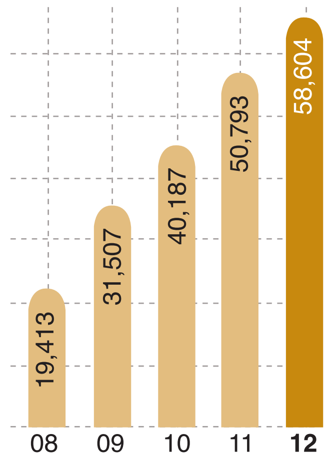
Total Assets (RM' Thousand)



Net Equity Funds (RM' Thousand)



Total Equity (RM' Thousand)



STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors ("Board") of Berjaya Food Berhad recognises the importance of corporate governance in ensuring that the interest of the Company and shareholders are protected. The Board is committed in ensuring that the Group carries out its business operations within the required standards of corporate governance as set out in the Malaysian Code on Corporate Governance ("the Code").

The Board is pleased to provide the following statement, which outlines the main corporate governance practices that were in place throughout the financial year unless otherwise stated.

(A) DIRECTORS

(i) The Board

The Board is primarily responsible for the strategic directions of the Group and this includes the following:-

(a) Overseeing the conduct of the Group's business to evaluate whether the business is being properly managed;

(b) Identifying principal risks to ensure the implementation of appropriate systems to manage these risks;

(c) Maintaining shareholders and investors relations of the Company; and

(d) Reviewing the adequacy and integrity of the Group's internal control systems and management systems; including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board meets on a quarterly basis with additional meetings held whenever necessary. During the financial year ended 30 April 2012, the Board met five (5) times and the details of Directors' attendances are set out below:-

Directors	Attendance
Dato' Robin Tan Yeong Ching	5/5
Dato' Lee Kok Chuan	4/5
Tan Thiam Chai	5/5
Datuk Zainun Aishah Binti Ahmad #	5/5
Dato' Mustapha Bin Abd Hamid #	5/5

# denotes Independent Non-Executive Director

(ii) Board Balance

The Board currently consists of the Executive Chairman, the Chief Executive Officer, two (2) Independent Non-Executive Directors and one (1) Non-Executive Non-Independent Director. The profiles of the Directors are set out on pages 3 to 5 of this Annual Report.

The Executive Chairman of the Company also has executive roles and responsibilities due to his knowledge and experience in the Group's business. Together with an experienced management team, they are responsible for the operational and business units, organisational effectiveness and the implementation of corporate policies, strategies, decisions and internal controls.

STATEMENT ON CORPORATE GOVERNANCE

The Board is mindful of the above but is comfortable as the Independent Non-Executive Directors on the Board provide the necessary independent views, advice and judgment to take into account of the interests of all shareholders, employees, customers, suppliers and the communities in which the Group conducts its business and ensure that the Board has a balanced decision making process.

Datuk Zainun Aishah Binti Ahmad is the Senior Independent Non-Executive Director, to whom concerns relating to the affairs of the Group may be conveyed.

(iii) Supply of Information

All Directors have full and timely access to information concerning the Company and the Group. Board papers and reports which included the Group performance and major operational, financial and corporate information are distributed to the Directors prior to Board Meetings and to enable Directors to obtain further explanation, where necessary, in order to be properly briefed before the meeting.

All Directors have access to the advice and services of the Company Secretary and may obtain independent professional advice at the Company's expense in furtherance of their duties.

(iv) Appointment to the Board

The Nomination Committee currently comprises the following members:-

Datuk Zainun Aishah Binti Ahmad	–	Chairman/Independent Non-Executive Director
Dato' Mustapha Bin Abd Hamid	–	Independent Non-Executive Director
Tan Thiam Chai	–	Non-Independent Non-Executive Director

The Committee is empowered by its terms of reference and its primary function is to recommend to the Board, candidates for directorships of the Company and the members of the Board Committees.

The Committee will review the required mix of skills and experience of the Directors of the Board, in determining the appropriate Board balance and size of the non-executive participation.

(v) Employees' Share Option Committee

The Employees' Share Option Committee ("Option Committee") is established to administer the Employees' Share Option Scheme in accordance with the objectives and regulations thereof and to determine participation eligibility, option offers and share allocations and to attend to such other matters as may be required.

The members of the Option Committee are as follows:-

Dato' Lee Kok Chuan (Chairman)
Dato' Robin Tan Yeong Ching
Datuk Zainun Aishah Binti Ahmad

(vi) Directors' Training

All Directors have attended and completed the Mandatory Accreditation Programme pursuant to Bursa Malaysia Securities Berhad guidelines on Training for Directors. The relevant Directors have also attended some training programmes organised by the regulatory authorities to comply with the Continuing Education Programmes requirement.

STATEMENT ON CORPORATE GOVERNANCE

The Directors are encouraged to evaluate their own training needs on a continuous basis and to determine the relevant programmes, seminars, briefing or dialogues available to further enhance their skills and knowledge and to discharge their duties as Directors.

During the financial year ended 30 April 2012, the seminars and conferences attended by the Directors are as follows:-

Directors	Seminars/Conferences
Dato' Robin Tan Yeong Ching	– Forbes CEO Conference, Shangri La Hotel, Kuala Lumpur – Advocacy Sessions on Disclosure for CEOs and CFOs
Dato' Lee Kok Chuan	– International Conference in conjunction with Franchise International Malaysia 2011 – Advocacy Sessions on Disclosure for CEOs and CFOs
Tan Thiam Chai	– The Board's Responsibility for Corporate Culture: Selected Governance Concerns and Tools for Addressing Corporate Culture and Board Performance – Seminar on International Reporting Standards convergence in 2012 – Sustainability: Taking Corporate Governance a Step Further – Challenges Faced by Accountants as Independent Directors – Advocacy Sessions on Disclosure for CEOs and CFOs – Preparing your first Malaysian Financial Reporting Standards quarterly report
Datuk Zainun Aishah Binti Ahmad	– Training Programme organised by SHELL • Managing Corporate Reputation in a Digital Age • Introduction to SHELL Upstream Business • SHELL Business Principles, Anti-Bribery and Corruption • Shell Competition Law • Malaysian Competition Law – Sustainability: Taking Corporate Governance a Step Further
Dato' Mustapha Bin Abd Hamid	– The Board's Responsibility for Corporate Culture: Selected Governance Concerns and Tools for Addressing Corporate Culture and Board Performance – Sustainability: Taking Corporate Governance a Step Further – Programme organised by Tricor Corporate Services Sdn Bhd • Corporate Governance Blueprint 2011 • Key Amendments to the Listing Requirements 2011 • Corporate Disclosure Guide 2011

STATEMENT ON CORPORATE GOVERNANCE

(vii) Re-election of Directors

Any Director appointed during the year is required under the Company's Articles of Association, to retire and seek election by shareholders at the following Annual General Meeting ("AGM") immediately after their appointment. The Articles also requires one-third of the Directors to retire by rotation and seek re-election at each AGM and that each Director shall submit himself/herself for re-election once every three years.

Directors over seventy (70) years of age are required to submit themselves for re-appointment annually in accordance with Section 129(6) of the Companies Act, 1965.

(B) DIRECTORS' REMUNERATION

(i) Remuneration Committee

The Remuneration Committee currently comprises the following members:-

Datuk Zainun Aishah Binti Ahmad	–	Chairman/Independent Non-Executive Director
Dato' Mustapha Bin Abd Hamid	–	Independent Non-Executive Director
Dato' Robin Tan Yeong Ching	–	Executive Chairman

The Remuneration Committee is entrusted with responsibilities to set up the policy framework and to recommend to the Board on all elements of the remuneration package of the executive directors. The determination of the remuneration for the non-executive Directors will be a matter to be decided by the Board as a whole with the Directors concerned abstaining from deliberation and voting on decision in respect of his/her individual remuneration package.

The fees payable to the Directors will be recommended by the Board for approval by shareholders at the AGM.

(ii) Details of the Directors' Remuneration

The aggregate Directors' remuneration paid or payable to the Directors in office during the financial period by the Company and the Group categorised into appropriate components for the financial year ended 30 April 2012 are as follows:-

	< ---- RM	----	---- >
	Fee	Other Emoluments	Total
Executive	Nil	Nil	Nil
Non-Executive	60,000	9,000	69,000
	60,000	9,000	69,000

STATEMENT ON CORPORATE GOVERNANCE

The number of Directors of the Company in office at the end of the financial year who received remuneration from the Group and their remuneration falling within the respective bands are as follows:-

	Number of Directors	
	Executive	Non-Executive
RM1 – RM50,000	Nil	2

(C) RELATIONS WITH SHAREHOLDERS AND INVESTORS

The Company recognises the importance of keeping shareholders and investors informed of the Group's business and corporate developments. Such information will be disseminated via the Company's annual reports, circulars to shareholders, quarterly financial results and the various announcements made from time to time.

The Group maintains a website at www.berjaya.com where shareholders as well as members of the public can access for the latest information on the Group. Alternatively, they may obtain the Group's latest announcements via the website of Bursa Malaysia Securities Berhad at www.bursamalaysia.com.

The Annual General Meeting ("AGM") remains the principal forum for dialogue with shareholders where they may seek clarifications on the Group's business. Shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions.

(D) ACCOUNTABILITY AND AUDIT

(i) Financial Reporting

The Directors aim to provide a balanced and meaningful assessment of the Group's financial performance and prospects, primarily through the annual report and quarterly financial statements.

The Directors are also responsible for ensuring the annual financial statements are prepared in accordance with the provisions of the Companies Act, 1965 and the applicable financial reporting standards in Malaysia.

A statement by the Directors of their responsibilities in the preparation of financial statements is set out in the ensuing section.

STATEMENT ON CORPORATE GOVERNANCE

(ii) Statement of Directors' Responsibility in respect of the Financial Statements

Company law requires the Directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the Company and of the Group and of the results and cash flows of the Company and of the Group for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable financial reporting standards have been followed, subject to any material departures being disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping accounting records which disclose with reasonable accuracy, at any time, the financial position of the Company and of the Group and to enable them to ensure that the financial statements comply with the Companies Act, 1965 and applicable financial reporting standards in Malaysia. The Directors are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

(iii) Internal Control

The Board acknowledges that it is responsible for maintaining a sound system of internal controls which provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines. A Statement on Internal Control of the Group is set out on page 21 of this Annual Report.

(iv) Relationship with the Auditors

Through the Audit and Risk Management Committee, the Company has established a transparent and appropriate relationship with the Group's auditors, both internal and external. From time to time, the auditors highlighted to the Audit and Risk Management Committee and the Board on matters that require the Board's attention.

STATEMENT ON INTERNAL CONTROL

Responsibility

The Board of Directors of Berjaya Food Berhad recognises that it is responsible for the Group's system of internal control and for reviewing its adequacy and integrity. The Board's responsibility in relation to the system of internal control extends to all subsidiaries of the Group. The system of internal control of the Group is designed to manage rather than eliminate the risk of failure to achieve business objectives and thus only provide reasonable but not absolute assurance against material misstatement or loss.

The Board's primary objective and direction in managing the Group's business risks are focused on the achievement of the Group's business objectives. The Board, throughout the financial year under review, has identified, evaluated and managed the significant risks being faced by the Group through the monitoring of the Group's performance and profitability at its Board meetings.

The Board entrusts the Audit and Risk Management Committee with the overall responsibility to regularly review and monitor risk management activities of the Group and to approve appropriate risk management procedures and measurement methodologies.

Management Style and Control Consciousness

The Group's main focus is on the development and operation of the "Kenny Rogers Roasters" chain of restaurants in Malaysia by Berjaya Roasters (M) Sdn Bhd, and Java island and Bali, Indonesia by PT Boga Lestari Sentosa.

Whilst the Board maintains full direction over appropriate strategic, financial and compliance issues, it has delegated to its management team the responsibility of managing the Group's day-to-day operations and also the implementation of the system of internal control within an established framework.

The management formulates their business plans, which include the strategies and goals and an assessment of its current position and future prospects for the Board's review. The Board also receives regular updates on the Group's performance from management at Board meetings.

The key features of the framework, which encompasses the Group's system of internal control, include:

- Segregation of duties
- Clear reporting line
- Structured limit of authority
- Monitoring mechanisms (reports & meetings)
- Trained personnel
- Quarterly comparison of operating companies' actual financial performance with budget
- Independent assurance on the system of internal control from internal audit visits
- Routine random visits to outlets to verify accountability for cash and inventory
- Compliance of food and service quality-control procedures

Assurance Mechanism

The Board had tasked the Audit and Risk Management Committee, in its Terms of Reference, with the duty of reviewing and monitoring the effectiveness of the Group's system of internal control. The Board then reviewed the minutes of the Audit and Risk Management Committee's meetings. Internal audit reviews of the Group are provided by its ultimate holding company, Berjaya Corporation Berhad. The Internal Auditors will report directly to the Audit and Risk Management Committee. The Audit and Risk Management Committee has reviewed the Internal Audit Plan for the subsidiary companies of the Group for the financial year ending 30 April 2013. The report of the Audit and Risk Management Committee is set out on pages 22 to 26 of the Annual Report.

The Board is committed towards operating a sound system of internal control and recognises that the system must continuously evolve to support the type of business and size of operations of the Group. As such, the Board will, when necessary, put in place appropriate action plans to rectify any potential weaknesses or further enhance the system of internal control.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of Berjaya Food Berhad is pleased to present the report of the Audit and Risk Management Committee ("the Committee") for the financial year ended 30 April 2012.

MEMBERS AND MEETING ATTENDANCES

The members of the Committee are as follows:-

Datuk Zainun Aishah Binti Ahmad
– Chairman/Independent Non-Executive Director

Dato' Mustapha Bin Abd Hamid
– Independent Non-Executive Director

Tan Thiam Chai
– Non-Independent Non-Executive Director

The Committee held six (6) meetings during the financial year ended 30 April 2012. The details of attendance of the Committee members are as follows:-

Name	Attendance
Datuk Zainun Aishah Binti Ahmad	6/6
Dato' Mustapha Bin Abd Hamid	6/6
Tan Thiam Chai	6/6

The General Manager of Group Internal Audit and the General Manager of Group Accounts and Budgets were also invited to attend the Committee meeting. The External Auditors were also invited to attend two (2) of these meetings.

SUMMARY OF ACTIVITIES

The activities undertaken by the Committee during the financial year ended 30 April 2012 included the following:-

(a) Reviewed the quarterly and year-to-date unaudited financial results before submission to the Board for consideration and approval;

(b) Reviewed the External Auditors' scope of work and audit plan for the financial year ended 30 April 2012;

(c) Reviewed and discussed the External Auditors' audit report and areas of concern in the management letter thereof;

(d) Reviewed the internal audit reports presented and considered the major findings of internal audit in the operating subsidiary of the Group through the review of internal audit reports tabled and management responses thereto and ensuring significant findings were adequately addressed by management;

(e) Reviewed the risk management report of operating subsidiary;

(f) Reviewed and recommended for Board's approval, the Audited Financial Statements of the Company;

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(g) Reviewed and recommended for Board's approval, the Statement on Corporate Governance, the Statement on Internal Control and the Committee Report for inclusion in the Annual Report;

(h) Reviewed the Internal Audit Plan for year 2013; and

(i) Reviewed the related party transactions and the circular to shareholders in connection with the recurrent related party transactions.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The Committee has reviewed and verified that the allocation of options granted during the financial year under the ESOS of the Company were in accordance with the allocation criteria approved by the ESOS Committee and in compliance with the ESOS Bylaws.

The Company had granted options under the ESOS governed by the Bylaws that was approved by the Company's shareholders at the Extraordinary General Meeting held on 14 January 2011. The ESOS is to be in force for a period of 5 years from 8 March 2011. There is one (1) ESOS in existence during the financial year ended 30 April 2012 with information as follows:-

	During the financial year ended 30 April 2012	Since commencement of the ESOS on 8 March 2011
Total number of options or shares granted	Nil	7,333,000
Total number of shares vested	1,466,600	2,933,200
Total number of options exercised	1,710,300	2,128,300
Total number of options forfeited	124,000	124,000
Total options or shares outstanding	5,080,700	5,080,700

Granted to Directors	During the financial year ended 30 April 2012	Since commencement of the ESOS on 8 March 2011
Aggregate options or shares granted	Nil	2,250,000
Total number of shares vested	450,000	900,000
Total number of options exercised	620,000	620,000
Aggregate options or shares outstanding	1,630,000	1,630,000

Granted to Directors & Senior Management	During the financial year ended 30 April 2012	Since commencement of the ESOS on 8 March 2011
Aggregate maximum allocation in percentage	Nil	42.27
Actual percentage granted	8.45	16.91

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The Internal Audit Division of Berjaya Corporation Berhad was engaged to undertake the internal audit function that would enable the Committee to discharge its duties and responsibilities. Their role is to provide the Committee with independent and objective reports on the state of internal controls of the operating unit within the Group and the extent of compliance with the Group's established policies, procedures and statutory requirements.

For the financial year under review, the Internal Audit Division conducted audit assignments on the operating unit of the Group involved in the development and operation of the "Kenny Rogers Roasters" chain of restaurants in Malaysia.

The activities undertaken by the Internal Audit Division during the financial year ended 30 April 2012 included the following:-

1. Tabled Internal Audit Plan for the Committee's review and endorsement.

2. Reviewed the existing systems, controls and governance processes of the operating unit within the Group.

3. Conducted audit reviews and evaluated risk exposures relating to the Group's governance process and system of internal controls on reliability and integrity of financial and operational information, safeguarding of assets, efficiency of operations, compliance with established policies and procedures and statutory requirements.

4. Provided recommendations to assist the operating unit and the Group in accomplishing its internal control requirements by suggesting improvements to the control processes.

5. Issued internal audit reports incorporating audit recommendations and management's responses in relation to audit findings on weaknesses in the systems and controls to the Committee and the respective operations management.

6. Followed up review to ensure that the agreed internal audit recommendations are effectively implemented.

7. Presented internal audit reports to the Committee for review.

The cost incurred for the Internal Audit function in respect of the financial year ended 30 April 2012 was approximately RM79,000.

TERMS OF REFERENCE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

1. MEMBERSHIP

The Committee shall be appointed by the Board from amongst the Directors and shall consist of not less than three members and all the Committee members must be non-executive directors, with majority of them being independent directors and at least one member of the Committee must be a member of the Malaysian Institute of Accountants or such other qualifications and experience as approved by the Bursa Malaysia Securities Berhad ("Bursa Securities").

If a member of the Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced to below three, the board of directors shall, within three months of that event, appoint such number of new members as may be required to make up the minimum number of three members.

2. QUORUM

A quorum for the Committee shall consist of two members and a majority of the members present must be Independent Directors.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

3. CHAIRMAN

The Chairman of the Committee shall be an Independent Director appointed by the Board. He/she shall report on each meeting of the Committee to the Board.

4. SECRETARY

The Company Secretary shall be the Secretary of the Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it, supported by explanatory documentation to the Committee members prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Committee members and to the other members of the Board of Directors.

5. FREQUENCY OF MEETINGS

Meetings shall be held not less than four times a year and will normally be attended by the Director charged with the responsibilities of the Group's finance and Head of Internal Audit. The presence of external auditors will be requested if required and the external auditors may also request a meeting if they consider it necessary.

6. AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference and shall have unrestricted access to both the internal and external auditors and to all employees of the Group. The Committee is also authorised by the Board to obtain external legal or other independent professional advice as necessary.

The Committee is also authorised to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.

7. DUTIES

The duties of the Committee shall be:-

(a) To review and recommend the appointment of external auditors, the audit fee and any questions of resignation or dismissal including recommending the nomination of person or persons as external auditors;

(b) To discuss with the external auditors where necessary, on the nature and scope of audit and to ensure coordination of audit where more than one audit firm is involved;

(c) To review the quarterly results and year-end financial statements prior to the approval by the Board, focusing on:

- going concern assumption
- compliance with applicable financial reporting standards and regulatory requirements
- any changes in accounting policies and practices
- significant issues arising from the audit
- major judgemental areas;

(d) To prepare Audit and Risk Management Committee Report at the end of each financial year;

(e) To discuss problems and reservations arising from the interim and final external audits, and any matters the external auditors may wish to discuss (in the absence of management, where necessary);

(f) To review the external auditors' management letter and management's response;

(g) To review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(h) To do the following in relation to internal audit function:

- review the adequacy of scope, functions, competency and resources of the internal audit department and that it has the necessary authority to carry out its work;
- review internal audit programme;
- ensure coordination of external audit with internal audit;
- consider the major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function;
- to monitor related party transactions entered into by the Company and its subsidiaries, and to ensure that the Directors report such transactions annually to shareholders via the annual report;
- to review and monitor the effectiveness of internal control systems and to evaluate the systems with the external auditors;

(i) To carry out such other responsibilities, functions or assignments as may be defined jointly by the Committee and the Board of Directors from time to time;

(j) In compliance with Paragraph 15.16 of the Main Market Listing Requirements, where the Committee is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements, the Committee must promptly report such matter to Bursa Securities; and

(k) To undertake the following risk management activities:-

Establishing Strategic Context – Ensuring that the strategic context of the risk management strategy is complete and takes into account the environment within which the Group operates and the requirements of all stakeholders and the Board.

Establishing Risk Management Processes – Determining the overall risk management processes that should be adopted by the business units and developing appropriate guidelines and policies for implementation.

Establishing Risk Management Structure – Ensuring a short and long term risk management strategy, framework and methodology have been implemented and consistently applied by all business units.

Embedding Risk Management Capability – Ensuring risk management processes are integrated into all core business processes and that the culture of the organisation reflects the risk consciousness of the Board.

Establishing Reporting Mechanism – Providing a consolidated risk and assurance report to the Board to support the statement relating to internal control in the Company's annual report.

Integrating & Coordinating Assurance Activity – Ensuring alignment and coordination of assurance activity across the organisation.

Establishing Business Benefits – Identifying opportunities to release potential business benefits through the enhancement of risk management capabilities within the Group.

Establishing Effectiveness of Risk Management Processes – Simplifying and improving the effectiveness of existing risk management structures.

Managing the Group Wide Risk Management Programme – Supporting the implementation of the risk management processes within the business. The Committee will act as steering committee for the Group Wide Risk Management Programme.

FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2012.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are the development and operation of the "Kenny Rogers Roasters" chain of restaurants in Malaysia and Java island and Bali, Indonesia.

There were no significant changes in the Group's activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the year	10,984	6,649
Attributable to:		
– Owners of the parent	11,126	6,649
– Non-controlling interests	(142)	–
	10,984	6,649

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The dividends paid by the Company since 30 April 2011 were as follows:

	RM'000
<u>In respect of the financial year ended 30 April 2011</u>	
First interim dividend of 6.00% or 3 sen per share single-tier dividend, paid on 22 July 2011	4,257
<u>In respect of the financial year ended 30 April 2012</u>	
First interim dividend of 4.00% or 2 sen per share single-tier dividend, paid on 16 January 2012	2,844
The Directors declared and approved on 13 June 2012: Second interim dividend of 5.00% or 2.5 sen per share single-tier dividend, paid on 25 July 2012 in respect of financial year ended 30 April 2012	3,589 *

* The financial statements for the current financial year do not reflect the above dividend. This dividend will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 30 April 2013. The directors do not recommend the payment of final dividend in respect of the current financial year.

DIRECTORS' REPORT

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Dato' Robin Tan Yeong Ching
Dato' Lee Kok Chuan
Datuk Zainun Aishah Binti Ahmad
Tan Thiam Chai
Dato' Mustapha Bin Abd Hamid

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted under the Employees' Share Option Scheme.

Since the end of the previous financial period, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 17 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares, options and debentures of the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares of RM0.50 each			
	At 1.5.11	Acquired	Disposed	At 30.4.12
The Company				
Dato' Robin Tan Yeong Ching	100,000	400,000	–	500,000
Dato' Lee Kok Chuan	100,000	100,000	–	200,000
Datuk Zainun Aishah Binti Ahmad	–	40,000	–	40,000
Dato' Mustapha Bin Abd Hamid	100,000	40,000	20,000	120,000
Tan Thiam Chai	100,000	40,000	–	140,000

	Number of ordinary shares of RM0.50 each under employees' share option scheme			
	At 1.5.11	Granted	Exercised	At 30.4.12
Dato' Robin Tan Yeong Ching	1,000,000	–	400,000	600,000
Dato' Lee Kok Chuan	950,000	–	100,000	850,000
Datuk Zainun Aishah Binti Ahmad	100,000	–	40,000	60,000
Dato' Mustapha Bin Abd Hamid	100,000	–	40,000	60,000
Tan Thiam Chai	100,000	–	40,000	60,000

DIRECTORS' REPORT

DIRECTORS' INTERESTS (CONTINUED)

Ultimate holding company:

		Number of ordinary shares of RM1.00 each			
		At 1.5.11	Acquired	Disposed	At 30.4.12
Berjaya Corporation Berhad ("BCorp")					
Dato' Robin Tan Yeong Ching		722,847	–	–	722,847
	*	–	597,141,995	–	597,141,995
	(a)	5,000	–	–	5,000
Dato' Lee Kok Chuan		20,000	44,000	40,000	24,000
Tan Thiam Chai		123,294	–	–	123,294
	(a)	104,164	–	–	104,164

		Number of 0% Irredeemable Convertible Unsecured Loan Stocks 2005/2015 of RM0.50 nominal value each			
		At 1.5.11	Acquired	Disposed	At 30.4.12
Dato' Robin Tan Yeong Ching	*	300,000	12,101,200	–	12,401,200
Dato' Lee Kok Chuan		22	–	–	22
	(a)	17	–	–	17

		Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each			
		At 1.5.11	Acquired	Disposed	At 30.4.12
Dato' Robin Tan Yeong Ching		–	2,620,500	–	2,620,500
	*	–	87,029,000	–	87,029,000
	(a)	–	1,000	–	1,000
Dato' Lee Kok Chuan		–	50,000	–	50,000
Tan Thiam Chai		–	20,600	–	20,600
	(a)	–	17,400	–	17,400

		Number of Warrants			
		At 1.5.11	Acquired	Disposed	At 30.4.12
Dato' Robin Tan Yeong Ching		–	2,620,500	–	2,620,500
	*	–	87,029,000	–	87,029,000
	(a)	–	1,000	–	1,000
Dato' Lee Kok Chuan		–	50,000	50,000	–
Tan Thiam Chai		–	20,600	–	20,600
	(a)	–	17,400	–	17,400

DIRECTORS' REPORT

DIRECTORS' INTERESTS (CONTINUED)

Related companies:

		Number of ordinary shares of RM0.50 each			
		At 1.5.11	Acquired	Disposed	At 30.4.12
Berjaya Land Berhad					
Dato' Robin Tan Yeong Ching		600,000	–	–	600,000
	*	–	56,600,000	–	56,600,000
Tan Thiam Chai		40,000	–	–	40,000

		Number of ordinary shares of RM0.10 each			
		At 1.5.11	Acquired	Disposed	At 30.4.12
Berjaya Sports Toto Berhad					
Dato' Robin Tan Yeong Ching		828,000	–	–	828,000
Dato' Lee Kok Chuan		65,000	–	5,000	60,000
Tan Thiam Chai		163,542	–	–	163,542
	(a)	66,000	–	–	66,000

		Number of ordinary shares of HKD0.20 each			
		At 1.5.11	Acquired	Disposed	At 30.4.12
Cosway Corporation Limited					
Dato' Robin Tan Yeong Ching	(a)	1,300,000	–	–	1,300,000

Notes:
* Indirect interests pursuant to Section 6(A) of the Companies Act, 1965.
(a) Indirect interests pursuant to Section 134(12)(c) of the Companies Act, 1965.

EMPLOYEES' SHARE OPTION SCHEME

At an Extraordinary General Meeting held on 14 January 2011, shareholders approved the Employees' Share Option Scheme ("ESOS") for the grant of options that are settled by physical delivery of the ordinary shares of the Company, to eligible directors and employees of the Group.

The committee administering the ESOS comprises Dato' Robin Tan Yeong Ching, Dato' Lee Kok Chuan, Datuk Zainun Aishah Binti Ahmad and Lee Siew Weng.

The salient features and terms of the ESOS are disclosed in Note 22 to the financial statements.

During the financial year, 1,710,300 of share options were exercised at the exercise price of RM0.51 each. As at the end of the financial year, the total number of unissued shares under the ESOS is 5,080,700.

DIRECTORS' REPORT

ISSUE OF SHARES

During the financial year, the Company increased its issued and fully paid up share capital from RM70,883,000 to RM71,738,150 by way of the issuance of 1,710,300 new ordinary shares of RM0.50 each at an issue price of RM0.51 per share pursuant to the exercise of the share options that was granted under the ESOS.

Subsequent to the financial year ended 30 April 2012, the Company completed a rights issue of four (4) new ordinary shares of the Company together with four (4) free detachable warrants for every five (5) existing shares held in the Company on 9 August 2012 whereby a total of 115,081,760 rights shares and 115,081,760 warrants were allotted on even date. The aforesaid rights shares and warrants were listed on the Main Market of Bursa Malaysia Securities Berhad on 13 August 2012. After taking into consideration those shares issued under the ESOS and the number of rights shares issued, the share capital of the Company increased from 143,476,300 at 30 April 2012 to 258,963,960 at 13 August 2012.

OTHER STATUTORY INFORMATION

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

    (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that no provision for doubtful debts was necessary; and

    (ii) to ensure that any current asset which was unlikely to realise its value as shown in the accounting records in the ordinary course of business had been written down to an amount which it might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

    (i) it necessary to write off any bad debts or to make any provision for doubtful debts in respect of the financial statements of the Group and the Company; and

    (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

    (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

    (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (CONTINUED)

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

Significant events during the financial year are disclosed in Note 30 to the financial statements.

SUBSEQUENT EVENTS

Significant events subsequent to the end of the financial year are disclosed in Note 31 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 13 August 2012.

Dato' Lee Kok Chuan **Tan Thiam Chai**

STATEMENT BY DIRECTORS

Pursuant to Section 169(15) of the Companies Act, 1965

We, Dato' Lee Kok Chuan and Tan Thiam Chai, being two of the directors of BERJAYA FOOD BERHAD, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 37 to 80 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 April 2012 and of the results and the cash flows of the Group and of the Company for the year then ended.

The supplementary information set out in Note 32 on page 81, is prepared in all material respects, in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the Board in accordance with a resolution of the directors dated 13 August 2012.

Dato' Lee Kok Chuan **Tan Thiam Chai**

STATUTORY DECLARATION

Pursuant to Section 169(16) of the Companies Act, 1965

I, Dato' Lee Kok Chuan, being the director primarily responsible for the financial management of BERJAYA FOOD BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 37 to 81 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed)
Dato' Lee Kok Chuan at Kuala Lumpur in the Federal)
Territory on 13 August 2012) **Dato' Lee Kok Chuan**

Before me:

Tee Weng Yean (W441)
Commissioner for Oaths

Kuala Lumpur

INDEPENDENT AUDITORS' REPORT
To the Members of Berjaya Food Berhad

Report on the financial statements

We have audited the financial statements of Berjaya Food Berhad, which comprise the statements of financial position as at 30 April 2012 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 37 to 80.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of the financial statements that give a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2012 and of their financial performance and cash flows of the Group and of the Company for the year then ended.

INDEPENDENT AUDITORS' REPORT
To the Members of Berjaya Food Berhad

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of the subsidiary of which we have not acted as auditors, which are indicated in Note 4 to the financial statements, being financial statements that have been included in the consolidated financial statements.

(c) We are satisfied that the accounts of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

(d) The auditors' report on the accounts of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Companies Act, 1965.

Other matters

(a) The supplementary information set out in Note 32 on page 81 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

(b) This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
AF: 0039
Chartered Accountants

Phang Oy Lin
2985/03/14(J)
Chartered Accountant

Kuala Lumpur, Malaysia
13 August 2012

STATEMENTS OF FINANCIAL POSITION
As at 30 April 2012

	Note	Group 2012 RM'000	Group 2011 RM'000	Company 2012 RM'000	Company 2011 RM'000
Non-current assets					
Property, plant and equipment	3	**25,335**	19,010	**4**	–
Subsidiary companies	4	**–**	–	**72,633**	72,307
Deferred tax assets	12	**108**	–	**–**	–
Goodwill	5	**1,340**	986	**–**	–
		26,783	19,996	**72,637**	72,307
Current assets					
Inventories	6	**2,952**	2,333	**–**	–
Trade and other receivables	7	**12,926**	5,194	**7,729**	5,591
Deposit with financial institution	8	**8,800**	10,300	**–**	–
Cash and bank balances	9	**27,910**	26,459	**511**	211
		52,588	44,286	**8,240**	5,802
TOTAL ASSETS		**79,371**	64,282	**80,877**	78,109
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	10	**71,738**	70,883	**71,738**	70,883
Reserves	11	**(15,667)**	(20,090)	**7,058**	7,018
		56,071	50,793	**78,796**	77,901
Non-controlling interests		**2,533**	–	**–**	–
Total equity		**58,604**	50,793	**78,796**	77,901
Non-current liabilities					
Deferred tax liabilities	12	**2,012**	1,954	**–**	–
Provisions	13	**2,085**	1,028	**–**	–
		4,097	2,982	**–**	–
Current liabilities					
Trade and other payables	14	**15,132**	10,146	**2,081**	208
Provisions	13	**356**	150	**–**	–
Taxation		**1,182**	211	**–**	–
		16,670	10,507	**2,081**	208
Total liabilities		**20,767**	13,489	**2,081**	208
TOTAL EQUITY AND LIABILITIES		**79,371**	64,282	**80,877**	78,109

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME
For the year ended 30 April 2012

		Group		Company	
	Note	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Revenue	15	**88,598**	71,938	**7,990**	5,950
Cost of sales		**(54,983)**	(44,721)	**–**	–
Gross profit		**33,615**	27,217	**7,990**	5,950
Other income		**9,958**	7,927	**–**	–
Administrative expenses		**(28,938)**	(22,569)	**(1,341)**	(203)
Profit before tax	16	**14,635**	12,575	**6,649**	5,747
Income tax expense	18	**(3,651)**	(2,382)	**–**	–
Profit for the year		**10,984**	10,193	**6,649**	5,747
Other comprehensive income:					
– Foreign currency translation		**(188)**	–	**–**	–
Total comprehensive income for the year		**10,796**	10,193	**6,649**	5,747
Profit attributable to:					
– Owners of the parent		**11,126**	10,193	**6,649**	5,747
– Non-controlling interests		**(142)**	–	**–**	–
		10,984	10,193	**6,649**	5,747
Total comprehensive income Attributable to:					
– Owners of the parent		**11,032**	10,193	**6,649**	5,747
– Non-controlling interests		**(236)**	–	**–**	–
		10,796	10,193	**6,649**	5,747
Earnings per share (sen)	19				
– Basic		**7.83**	7.21		
– Diluted		**7.71**	7.06		

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 April 2012

	Attributable to the equity holders of the Company								
		Non-distributable				Distributable			
	Share capital RM'000	Share premium RM'000	ESOS reserve ^ RM'000	Exchange reserve RM'000	Merger deficit RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
GROUP									
At 1 May 2010	70,674	1 ,413	–	–	(55,087)	23,187	40,187	–	40,187
Total comprehensive income for the year	–	–	–	–	–	10,193	10,193	–	10,193
Transactions with owners									
Share issuance expenses	–	(117)	–	–	–	–	(117)	–	(117)
ESOS options granted	–	–	314	–	–	–	314	–	314
ESOS options exercised	209	78	(71)	–	–	–	216	–	216
	209	(39)	243	–	–	–	413	–	413
At 30 April 2011	70,883	1,374	243	–	(55,087)	33,380	50,793	–	50,793
Total comprehensive income for the year	–	–	–	(94)	–	11,126	11,032	(236)	10,796
Transactions with owners									
ESOS options exercised	855	308	(291)	–	–	–	872	–	872
Share-based payment under ESOS	–	–	475	–	–	–	475	–	475
Acquisition of a subsidiary company	–	–	–	–	–	–	–	1,252	1,252
Capital contribution by non-controlling interests	–	–	–	–	–	–	–	1,517	1,517
Dividends (Note 20)	–	–	–	–	–	(7,101)	(7,101)	–	(7,101)
	855	308	184	–	–	(7,101)	(5,754)	2,769	(2,985)
At 30 April 2012	**71,738**	**1,682**	**427**	**(94)**	**(55,087)**	**37,405**	**56,071**	**2,533**	**58,604**

^ This represents the reserve relating to the Employees' Share Option Scheme.

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 April 2012

		Non-distributable		Distributable	
	Share capital RM'000	Share premium RM'000	ESOS reserve RM'000	Retained earnings RM'000	Total equity RM'000
COMPANY					
At 30 April 2010	#	–	–	(346)	(346)
Merger related item					
Arising from the acquisition of a subsidiary company	70,674	1,413	–	–	72,087
Total comprehensive income for the year	–	–	–	5,747	5,747
Transactions with owners					
Share issuance expenses	–	(117)	–	–	(117)
ESOS options granted	–	–	314	–	314
ESOS options exercised	209	78	(71)	–	216
	209	(39)	243	–	413
At 30 April 2011	70,883	1,374	243	5,401	77,901
Total comprehensive income for the year	–	–	–	6,649	6,649
Transactions with owners					
ESOS options exercised	855	308	(291)	–	872
Share-based payment under ESOS	–	–	475	–	475
Dividends (Note 20)	–	–	–	(7,101)	(7,101)
	855	308	184	(7,101)	(5,754)
At 30 April 2012	**71,738**	**1,682**	**427**	**4,949**	**78,796**

Representing RM2.00

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
For the year ended 30 April 2012

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	**90,517**	71,887	**–**	–
Payment to suppliers and operating expenses	**(73,741)**	(53,184)	**(1,387)**	(224)
Payment of tax	**(3,223)**	(1,791)	**–**	–
Net cash flow generated from/ (used in) operating activities	**13,553**	16,912	**(1,387)**	(224)
CASH FLOWS FROM INVESTING ACTIVITIES				
Sales of property, plant and equipment	**176**	83	**–**	–
Acquisition of property, plant and equipment (Note a)	**(7,058)**	(4,240)	**(5)**	–
Acquisition of business operations	**(1,500)**	–	**–**	–
Acquisition of investment in subsidiary company (Note b)	**(1,267)**	–	**–**	–
Interest received	**657**	708	**–**	–
Dividend received	**–**	–	**3,740**	–
Loan to related companies	**–**	(5,000)	**(2,967)**	–
Repayment from related companies	**–**	5,000	**5,507**	443
Repayment from holding company	**–**	7,069	**–**	–
Net cash flow (used in)/ generated from investing activities	**(8,992)**	3,620	**6,275**	443
CASH FLOWS FROM FINANCING ACTIVITIES				
Issuance of share capital	**872**	213	**872**	213
Issuance of share capital to non-controlling interests of subsidiary company	**1,517**	–	**–**	–
Dividends paid	**(7,101)**	–	**(7,101)**	–
Loan from related companies	**162**	–	**1,641**	–
Repayment to related companies	**–**	(221)	**–**	(221)
Net cash flow used in financing activities	**(4,550)**	(8)	**(4,588)**	(8)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**11**	20,524	**300**	211
EFFECT OF EXCHANGE RATE CHANGES	**(60)**	–	**–**	–
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**36,759**	16,235	**211**	–
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**36,710**	36,759	**511**	211

STATEMENTS OF CASH FLOWS
For the year ended 30 April 2012

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
CASH AND CASH EQUIVALENTS				
The closing cash and cash equivalents comprise of the following:				
Cash and bank balances	**27,910**	26,459	**511**	211
Deposit with financial institution	**8,800**	10,300	**–**	–
	36,710	36,759	**511**	211

Notes:

(a) The additions in property, plant and equipment were acquired by way of:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Cash	**7,058**	4,240	**5**	–
Provision for restoration cost	**908**	108	**–**	–
	7,966	4,348	**5**	–

(b) Analysis of the effects of the acquisition of subsidiary company on cash flows is as follows:

	Group	
	2012 RM'000	2011 RM'000
Property, plant and equipment (Note 3)	**3,113**	–
Net other liabilities acquired	**(558)**	–
Non-controlling interests	**(1,252)**	–
Goodwill on consolidation (Note 5)	**83**	–
Net assets acquired	**1,386**	–
Excluding: Cash and cash equivalents of subsidiary company acquired	**(119)**	–
Cash flow on acquisition (net of cash in subsidiary company acquired)	**1,267**	–

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

1. CORPORATE INFORMATION

The principal activity of the Company is investment holding.

The principal activities of the subsidiary companies consist of the development and operation of the "Kenny Rogers Roasters" chain of restaurants in Malaysia and Java island and Bali, Indonesia and investment holding.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and the registered office of the Company is located at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No.1 Jalan Imbi, 55100 Kuala Lumpur.

The holding company is Berjaya Group Berhad ("BGroup") and the ultimate holding company is Berjaya Corporation Berhad ("BCorp"), both of which are incorporated in Malaysia.

There were no significant changes in the Group's activities during the financial year. The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 13 August 2012.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below and comply with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia. At the beginning of the current financial period, the Group and the Company adopted new FRSs, Amendments to FRSs and Interpretations which are mandatory as described fully in Note 2.3.

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

2.2 Summary of significant accounting policies

(a) Subsidiaries and basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary companies, which are prepared up to the end of the same financial year.

Subsidiary companies are those entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

Subsidiary companies are consolidated from the date of acquisition, being the date on which the Group obtain control, and continue to be consolidated until the date that such control ceases.

Subsidiary companies are consolidated using the purchase method of accounting except for the business combination with Berjaya Roasters (M) Sdn Bhd ("BRoasters"), which was accounted for under the pooling of interests method as the business combination of this subsidiary company involved an entity under common control.

Under the pooling of interests method of accounting, the results of the entities under common control are presented as if the entities had been combined throughout the current and previous financial years. The difference between the cost of acquisition and the nominal value of the share capital and reserves acquired are reflected within equity as merger reserve (or adjusted against any suitable reserve in the case of debit differences).

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

(a) Subsidiaries and basis of consolidation (continued)

Under the acquisition method of accounting, the results of subsidiary companies acquired during the financial year are included in the consolidated financial statements from the effective date of acquisition. The acquisition method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities assumed at the date of acquisition. For business combinations, provisions are made for the acquiree's contingent liabilities existing at the date of acquisition as the Group deems that it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities assumed, and equity instruments issued. Any costs directly attributable to the acquisition are recognised immediately in profit or loss.

When control in a business is acquired in stages, the previously held equity interests in the acquiree are re-measured to fair value at the acquisition date with any corresponding gain or loss recognised in the profit or loss. Similarly, when control over a subsidiary company is lost, any interest retained is measured at fair value and the corresponding gain or loss recognised in the profit or loss.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquire, and the fair value any of the Group's previously held equity interest in the acquiree (herein after referred to as cost of business combination), over the net amount of the fair value of identifiable assets acquired and liabilities assumed is recognised as goodwill.

Any excess of the Group's interest in the net fair value of the identifiable assets acquired and liabilities assumed over the cost of business combination is recognised immediately in profit or loss.

Uniform accounting policies are adopted in the consolidated financial statements for similar transactions and other events in similar circumstances. In the preparation of the consolidated financial statements, the financial statements of all subsidiary companies are adjusted for the material effects of dissimilar accounting policies. Intragroup balances, transactions, income and expenses are eliminated in full.

Non-controlling interests represent the equity in subsidiary companies not attributable, direct or indirectly, to the Group which consist of the amount of those non-controlling interests at the date of original combination, and the non-controlling interests' share of changes in the equity since the date of the combination.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. Profit or loss and each component of other comprehensive income are attributed to the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary company. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of consideration paid or received shall be recognised directly in equity and attributed to the owners of the parent.

Equity instruments and equity components of hybrid financial instruments issued by subsidiary companies but held by the Group will be eliminated on consolidation. Any difference between the cost of investment in and the value of the equity instruments or the equity components of hybrid financial instruments will be recognised immediately in equity upon elimination.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less impairment losses.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

(b) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group or the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Office equipment, smallwares and motor vehicles	20% – 25%
Computers	20% – 40%
Plant, machinery, kitchen equipment, furniture and fittings	10% – 25%
Renovation and restoration	Based on lease term

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

(c) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets acquired and liabilities assumed. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(d) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis. Cost represents cost of food, beverages and materials purchased plus incidental expenses. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

(e) Financial assets

Financial assets are recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

(e) Financial assets (continued)

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

The category that is applicable to the Group is as follows:

(i) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(f) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(i) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and sundry receivables, where the carrying amounts are reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

(f) Impairment of financial assets (continued)

(i) Trade and other receivables and other financial assets carried at amortised cost (continued)

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(g) Impairment of non-financial assets

The carrying amounts of the Group's assets, other than inventories, deferred tax assets and non-current assets (or disposal groups) held for sale, are reviewed at each reporting date to determine whether there is an indication of impairment. If any such impairment exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use ("VIU"). In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

An impairment loss is recognised in profit or loss in the year in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for as a revaluation decrease to the extent that the impairment loss does not exceed the amount held in the fair value reserve for the same asset.

Impairment loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

(h) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definition of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

The category that is applicable to the Group is as follows:

(i) Other financial liabilities

Other financial liabilities include trade and other payables.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(i) Provisions

Provisions are recognised when the Group or the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations, and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a pre-tax discount rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

Provisions for restoration costs are estimated costs of dismantling, removing or restoring the property, plant and equipment at the lease inception date for operating leases with requirements to remove leasehold improvements at the end of the lease term.

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, cash funds managed by a fund management related company and a licensed financial institution and deposit at call, which have an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

(k) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are approved for payment.

The transaction costs of an equity transaction are accounted for as a deduction from equity. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(l) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(i) Sale of food and beverage

Revenue relating to sale of food and beverages is recognised net of sales tax and discounts when the transfer of risks and rewards has been completed.

(ii) Royalty income

Revenue relating to royalty income is recognised on an accrual basis in accordance with the terms of the "Rights to Franchise Outlets" agreement between Roasters Asia Pacific (M) Sdn Bhd, a related company to the Group and BRoasters, a subsidiary company of the Group.

(iii) Dividend income

Dividend income from investment is recognised when the shareholders' rights to receive payment is established.

(iv) Interest income

Interest income is recognised on an accrual basis unless recoverability is in doubt.

(m) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

(m) Foreign currencies (continued)

(ii) Foreign currency transactions (continued)

Exchange differences arising on the settlement of monetary items and on translating monetary items at the reporting date are recognised in profit or loss for the period.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

The principal exchange rates ruling at reporting date for one unit of foreign currency used are as follows:

Foreign currency	Currency code	2012 RM	2011 RM
Singapore Dollar	SGD	2.45	2.39
United States Dollar	USD	3.04	2.94
Indonesian Rupiah	IDR	0.000331	Nil

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency ("RM") of the consolidated financial statements are translated into RM as follows:

– Assets and liabilities for each statement of financial position presented are translated at the closing rate prevailing at the reporting date;
– Income and expenses for each profit or loss and other comprehensive income are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
– All resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

(n) Employee benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

(n) Employee benefits (continued)

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). A foreign subsidiary company of the Group also makes contributions to its country's statutory pension scheme.

(iii) Defined benefit plan

A foreign subsidiary company within the Group operates an unfunded, defined Retirement Benefit Scheme ("Scheme") for its eligible employees. The obligation recognised in the consolidated statement of financial position under the Scheme is calculated using the projected unit credit method determined based on actuarial computations by an independent actuary. Actuarial gains or losses arising from changes in actuarial assumptions in excess of the greater of 10% of the defined benefit liabilities and 10% of the plan assets are charged or credited to profit or loss over the average remaining service lives of the respective employees. Past service costs are recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the amended benefits become vested.

(iv) Employees' share option scheme

Employees of the Group received remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the employees' share option reserve over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of the period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employees' share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employees' share option reserve is transferred to share premium if new shares are issued, or to treasury shares if the options are satisfied by the reissuance of treasury shares.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

(o) Leases

As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor if any, is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(p) Income tax

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, except where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Summary of significant accounting policies (continued)

(p) Income tax (continued)

(ii) Deferred tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

(q) Segmental information

For management purposes, the Group is organised into operating segments based on their products and services which is independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

(r) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event/s not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Standards and interpretations adopted during the year

On 1 May 2011, the Company adopted the following new FRSs, Amendments to FRSs and Interpretations:

Effective for financial periods beginning on or after 1 July 2010:

- FRS 1: First-time Adoption of Financial Reporting Standards
- FRS 3: Business Combinations
- FRS 127: Consolidated and Separate Financial Statements
- IC Interpretation 12: Service Concession Arrangements
- IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation
- IC Interpretation 17: Distributions of Non-cash Assets to Owners
- Amendments to FRS 2: Share-based Payment
- Amendments to FRS 5: Non-Current Assets Held for Sale and Discontinued Operations
- Amendments to FRS 138: Intangible Assets
- Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives
- TR 3: Guidance on Disclosures of Transition to IFRSs
- TR i-4: Shariah Compliant Sale Contracts

Effective for financial periods beginning on or after 1 January 2011:

- Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
- Amendments to FRS 1: Additional Exemptions for First-time Adopters
- Amendments to FRS 1: First-Time Adoption of Financial Reporting Standards
- Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions
- Amendments to FRS 3: Business Combinations
- Amendments to FRS 7: Improving Disclosures about Financial Instruments
- Amendments to FRS 7: Financial Instruments-Disclosures
- Amendments to FRS 101: Presentation of Financial Statements
- Amendments to FRS 121: The Effects of Changes in Foreign Exchange Rates
- Amendments to FRS 128: Investments in Associates
- Amendments to FRS 131: Interests in Joint Ventures
- Amendments to FRS 132: Financial Instruments: Presentation
- Amendments to FRS 134: Interim Financial Reporting
- Amendments to FRS 139: Financial Instruments: Recognition and Measurement
- IC Interpretation 4: Determining Whether an Arrangement contains a Lease
- IC Interpretation 18: Transfers of Assets from Customers
- Amendments to IC Interpretation 13: Customer Loyalty Programmes

The revised FRSs, Amendments to FRSs and Interpretations above do not have any significant impact on the financial statements of the Group and the Company.

2.4 Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Malaysian Financial Reporting Standards (continued)

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 April 2013. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has established a project team to plan and manage the adoption of the MFRS Framework.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 30 April 2012 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 30 April 2013.

2.5 Significant accounting estimates and judgements

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

(a) Critical judgements made in applying accounting policies

The following are the judgements made by the management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(i) Recognition of service income

Service charge is charged on the basis of a certain percentage of the revenue relating to food and beverage for in-house dining. A certain percentage of the amount is recognised in other income by the Group as it relates to additional income received for services rendered to the customers. The remainder is to be distributed to the employees. The amount of service charge recognised as other income for the year is RM7,333,000 (2011: RM5,730,000).

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Provision for restoration costs

The Group leases retail stores under operating leases. The Group provides for an estimate of restoration costs at the lease inception date for operating leases with requirements to remove leasehold improvements at the end of the lease term.

Estimating restoration costs involves subjective assumptions regarding both the amount and timing of actual future restoration costs. Future actual costs could differ significantly from amounts initially estimated.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Significant accounting estimates and judgements (continued)

(b) Key sources of estimation uncertainty (continued)

(ii) Goodwill

The Group determines whether goodwill is impaired at least on a periodic basis. This requires an estimation of the VIU of the CGU to which goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Details of goodwill are disclosed in Note 5.

(iii) Income taxes

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amounts initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Details of income tax expense are disclosed in Note 18.

(iv) Employee share options

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions, and the carrying amounts are disclosed in Note 22.

(v) Retirement benefits

The determination of the Group's obligations and cost for pension and employee benefit liabilities is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. Those assumptions include among others, discount rates, future annual salary increase, annual employee turnover rate, disability rate, retirement age and mortality rate.

Actual results that differ from the Group's assumptions are recognised immediately in the profit or loss as and when they occurred. While the Group believes that its assumptions are reasonable and appropriate, significant differences in the Group's actual experiences or significant changes in the Group's assumptions may materially affect its estimated liabilities for pension and employees' benefits and net employee benefits expenses.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

3. PROPERTY, PLANT AND EQUIPMENT

GROUP

	Office equipment, furniture and fittings and motor vehicles RM'000	Computer RM'000	Plant, machinery, kitchen equipment and smallwares RM'000	Renovations and restoration RM'000	Total RM'000
As at 30 April 2012					
At Net Carrying Amount					
At 1.5.11	2,946	706	7,602	7,756	19,010
Additions	1,529	402	2,047	3,988	7,966
Acquisition of business operations	158	–	387	551	1,096
Disposals	(120)	(3)	–	(83)	(206)
Depreciation charge for the year	(901)	(256)	(1,427)	(2,617)	(5,201)
Acquisition of subsidiary	20	–	1,782	1,311	3,113
Write off	(22)	–	(112)	(317)	(451)
Foreign currency translation	1	–	2	5	8
At 30.4.12	**3,611**	**849**	**10,281**	**10,594**	**25,335**
As at 30 April 2011					
At Net Carrying Amount					
At 1.5.10	3,229	608	6,900	8,864	19,601
Additions	598	289	1,803	1,658	4,348
Disposals	(9)	–	–	(3)	(12)
Depreciation charge for the year	(861)	(191)	(1,055)	(2,602)	(4,709)
Write off	(11)	–	(46)	(161)	(218)
At 30.4.11	2,946	706	7,602	7,756	19,010
GROUP					
As at 30 April 2012					
Cost	**7,215**	**1,800**	**18,906**	**21,175**	**49,096**
Accumulated depreciation	**(3,604)**	**(951)**	**(8,625)**	**(10,581)**	**(23,761)**
Net carrying amount	**3,611**	**849**	**10,281**	**10,594**	**25,335**
As at 30 April 2011					
Cost	5,978	1,408	13,700	15,558	36,644
Accumulated depreciation	(3,032)	(702)	(6,098)	(7,802)	(17,634)
Net carrying amount	2,946	706	7,602	7,756	19,010

Included in property, plant and equipment of the Group are fully depreciated assets which are still in use costing about RM10,425,000 (2011: RM8,835,000).

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

COMPANY

	Computer RM'000	Total RM'000
As at 30 April 2012		
At Net Carrying Amount		
At 1.5.11	–	–
Additions	5	5
Depreciation charge for the year	(1)	(1)
At 30.4.12	**4**	**4**
COMPANY		
As at 30 April 2012		
Cost	5	5
Accumulated depreciation	(1)	(1)
Net carrying amount	**4**	**4**

4. SUBSIDIARY COMPANIES

	Company 2012 RM'000	Company 2011 RM'000
Unquoted shares in Malaysia, at cost	**72,087**	72,087
ESOS granted to employees of subsidiary company	**546**	220
	72,633	72,307

The Group's effective equity interest in the subsidiary companies, their respective activities and country of incorporation are shown below:

Name	Country incorporation	Principal activities	Effective interest (%) 2012	Effective interest (%) 2011
Held by the Company:				
Berjaya Roasters (M) Sdn Bhd	Malaysia	Development and operation of the "Kenny Rogers Roasters" chain of restaurants in Malaysia	100	100
Berjaya Food (International) Sdn Bhd	Malaysia	Investment holding	100	–
Subsidiary company of Berjaya Food (International) Sdn Bhd:				
PT Boga Lestari Sentosa *	Indonesia	Development and operation of the "Kenny Rogers Roasters" chain of restaurants in Jaya island and Bali, Indonesia	51	–

* Subsidiary audited by other firms of chartered accountants.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

4. SUBSIDIARY COMPANIES (CONTINUED)

Acquisition of subsidiary company

During the financial year, the Company had on 16 January 2012, completed the acquisition of 51% equity interests in PT Boga Lestari Sentosa ("PT Boga"), via its subsidiary company Berjaya Food (International) Sdn Bhd.

The cost of acquisition comprised the following:

2012
Group

	RM'000
Purchase consideration satisfied by cash during the financial year	1,386

The acquired subsidiary company, which qualified as a business combination, contributed the following results from its date of acquisition to the Group:

2012
Group

	RM'000
Revenue	2,586
Loss	(148)

If the acquisition had occurred at the beginning of the financial year, the subsidiary company would have contributed RM7,069,000 and RM1,350,000 of revenue and loss respectively.

The fair values of the identifiable assets and liabilities of PT Boga as at the date of acquisition are as follows:

2012
Group

	RM'000
Non-current assets	3,196
Current assets	4,080
	7,276
Non-current liabilities	311
Current liabilities	4,410
	4,721
Fair value of net assets	2,555
Less: Non-controlling interests	(1,252)
Group's share of net assets	1,303
Goodwill on acquisition (Note 5)	83
Total cost of acquisition	1,386

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

4. SUBSIDIARY COMPANIES (CONTINUED)

Acquisition of subsidiary company (continued)

The net cash flows on acquisition are as follows:

2012
Group

	RM'000
Purchase consideration satisfied by cash	(1,386)
Cash and cash equivalent of subsidiary company acquired	119
Net cash outflow on acquisition of a subsidiary company	(1,267)

There was no acquisition of subsidiary company subsequent to the financial year end.

The incorporation of subsidiary company during the financial year which did not have any material effect on the financial position of the Group and of the Company is not listed above.

5. GOODWILL

	Group	
	2012 RM'000	2011 RM'000
At beginning of year	**986**	986
Arising from acquisition of business operations	**271**	–
Acquisition of subsidiary company (Note 4)	**83**	–
At end of year	**1,340**	986

(a) Acquisition of business operations

On 30 September 2011, BRoasters acquired two business operations which are involved with development and operation of the "Kenny Rogers Roasters" chain of restaurants. The cost of acquisition for both the operations amounted to RM1,500,000.

The acquired business operations contributed the following results to BRoasters:

	1.10.2011 to 30.4.2012 RM'000
Revenue	1,678
Profit for the period	144

The assets arising from the acquisition are as follows:

	Fair value and acquirees' carrying amount recognised on acquisition RM'000
Property, plant and equipment (Note 3)	1,096
Inventories	133
Fair value and Group's share of net assets	1,229
Goodwill	271
Total cost and cash outflow of the acquisition	1,500

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

5. GOODWILL (CONTINUED)

(b) There were no acquisitions subsequent to 30 April 2012.

(c) During the financial year, the Group carried out a review of the recoverable amount of goodwill and the review has not led to any impairment loss during the financial year.

(d) Impairment testing on goodwill

Key assumptions used in VIU calculation

The recoverable amount of a CGU is determined based on VIU calculation using cash flow projections based on financial budgets covering a three-year period. The key assumptions used for VIU calculations are:

(i) Budgeted gross margin and growth rate

The basis used to determine the value assigned to the budgeted gross margins and growth rate is the average gross margin and average growth rate achieved in the years before the budgeted year and adjusted for expected efficiency improvements.

(ii) Discount rate

The discount rate used reflects specific risks relating to the Group. The significant post-tax discount rate, applied to post-tax cash flows is 15.5%.

Sensitivity to changes in assumptions

Management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the CGUs to materially exceed their recoverable amounts.

6. INVENTORIES

	Group	
	2012 RM'000	**2011 RM'000**
At cost:		
Food and beverages	**2,392**	1,780
Paper and packaging	**147**	102
Spares and other supplies	**413**	451
	2,952	2,333

The cost of inventories recognised as an expense during the financial year in the Group amounted to RM26,792,000 (2011: RM20,285,000).

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

7. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Trade receivables	**96**	101	**–**	–
Other receivables				
Deposits	**7,640**	4,611	**–**	–
Sundry receivables	**2,717**	347	**201**	61
Amount owing by:				
– related companies	**142**	29	**–**	–
– subsidiary company	**–**	–	**2,967**	5,507
	10,499	4,987	**3,168**	5,568
Less: Allowance for impairment	**(28)**	–	**–**	–
	10,471	4,987	**3,168**	5,568
Other current assets				
Prepayments	**1,218**	106	**311**	23
Dividend receivable	**–**	–	**4,250**	–
Indirect tax recoverable	**1,141**	–	**–**	–
	2,359	106	**4,561**	23
Total trade and other receivables	**12,926**	5,194	**7,729**	5,591

The trade receivables are in respect of customers using credit card transactions and are aged within 6 (2011: 6) days. The Group's trade receivables are neither past due nor impaired.

The sundry receivables are non-interest bearing and generally on 30 days (2011: 30 days) terms.

The amounts owing by related companies and subsidiary company are unsecured, non-interest bearing and repayable on demand.

(a) Other receivables

(i) Movement in allowance account:

	Group 2012 RM'000
At beginning of year	**–**
Arising from acquisition of subsidiary company	**28**
At end of year	**28**

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or groups of debtors.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

8. DEPOSIT WITH FINANCIAL INSTITUTION

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Deposit with a licensed bank	**8,800**	10,300	**–**	–

The maturity of deposit of the Group as at reporting date was 7 (2011: 7) days. The interest rate as at reporting date was 2.4% (2011: 2.2%) per annum.

9. CASH AND BANK BALANCES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Cash and bank balances	**15,532**	13,413	**511**	211
Cash funds	**12,378**	13,046	**–**	–
	27,910	26,459	**511**	211

Cash at banks earn interest at floating rates based on daily bank deposit rates. The range of interest rates as at reporting date was 2.71% – 2.96% (2011: 2.74% – 3.06%) per annum.

10. SHARE CAPITAL

	Company			
	Number of shares		Share capital	
	2012 '000	2011 '000	2012 RM'000	2011 RM'000
Ordinary shares of RM0.50 each				
Authorised:				
At beginning of year	**1,200,000**	1,000,000	**600,000**	500,000
Created during the year	**–**	200,000	**–**	100,000
At 30 April	**1,200,000**	1,200,000	**600,000**	600,000

	Group			
	Number of shares		Share capital	
	2012 '000	2011 '000	2012 RM'000	2011 RM'000
Issued and fully paid:				
At beginning of year	**141,766**	141,348	**70,883**	70,674
Employees' share options exercised	**1,710**	418	**855**	209
At end of year	**143,476**	141,766	**71,738**	70,883

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

10. SHARE CAPITAL (CONTINUED)

	Company			
	Number of shares		Share capital	
	2012 '000	2011 '000	2012 RM'000	2011 RM'000
Issued and fully paid:				
At beginning of year	**141,766**	@	**70,883**	#
Issued as consideration for the acquisition of a subsidiary company	**–**	141,348	**–**	70,674
Employees' share options exercised	**1,710**	418	**855**	209
At end of year	**143,476**	141,766	**71,738**	70,883

\# Representing RM2.00.
@ Representing 4 shares of RM0.50 each.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All the ordinary shares rank equally with regard to the Company's residual assets.

11. RESERVES

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Share premium	**1,682**	1,374	**1,682**	1,374
Merger deficit (Note a)	**(55,087)**	(55,087)	**–**	–
ESOS reserve (Note b)	**427**	243	**427**	243
Exchange reserves	**(94)**	–	**–**	–
	(53,072)	(53,470)	**2,109**	1,617
Retained earnings (Note c)	**37,405**	33,380	**4,949**	5,401
	(15,667)	(20,090)	**7,058**	7,018

Notes:

(a) Merger deficit

Merger deficit represents the difference between the carrying value of the Company's cost of investment in subsidiary company and the nominal value of share capital of the subsidiary company acquired.

(b) ESOS reserve

The ESOS reserve represents the equity-settled share options granted to certain employees of the Group. The ESOS reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of the share options and is reduced by the expiry or exercise of the share options.

(c) Retained earnings

The Company may distribute dividend out of its entire retained earnings as at 30 April 2012 under the single-tier system without incurring additional tax liability.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

12. DEFERRED TAX

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
At beginning of the year	**1,954**	871	**–**	–
Recognised in income statement (Note 18)	**38**	1,083	**–**	–
Arising on acquisition of subsidiary company	**(88)**	–	**–**	–
At end of the year	**1,904**	1,954	**–**	–

Presented after appropriate offsetting as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Deferred tax assets	**(108)**	–	**–**	–
Deferred tax liabilities	**2,012**	1,954	**–**	–
	1,904	1,954	**–**	–

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

GROUP

	Unused tax losses and unabsorbed capital allowances RM'000	Property, plant and equipment RM'000	Others RM'000	Total RM'000
Deferred Tax Assets				
At 1 May 2011	–	(75)	–	(75)
Recognised in income statement	(1)	(3)	(20)	(24)
Arising on acquisition of subsidiary	–	–	(88)	(88)
At 30 April 2012	**(1)**	**(78)**	**(108)**	**(187)**
Set-off against deferred tax liabilities				**79**
				(108)
At 1 May 2010	–	–	(60)	(60)
Recognised in income statement	–	–	(15)	(15)
At 30 April 2011	–	–	(75)	(75)
Set-off against deferred tax liabilities				75
				–

12. DEFERRED TAX (CONTINUED)

GROUP

	Property, plant and equipment RM'000	Others RM'000	Total RM'000
Deferred Tax Liabilities			
At 1 May 2011	2,029	–	2,029
Recognised in income statement	62	–	62
At 30 April 2012	**2,091**	**–**	**2,091**
Set-off against deferred tax assets			**(79)**
			2,012
At 1 May 2010	931	–	931
Recognised in income statement	1,098	–	1,098
At 30 April 2011	2,029	–	2,029
Set-off against deferred tax assets			(75)
			1,954

COMPANY

	Unused tax losses and unabsorbed capital allowances RM'000	Total RM'000
Deferred Tax Assets		
At 1 May 2011	–	–
Recognised in income statement	(1)	(1)
At 30 April 2012	**(1)**	**(1)**
Set-off against deferred tax liabilities		**1**
		–

COMPANY

	Property, plant and equipment RM'000	Total RM'000
Deferred Tax Liabilities		
At 1 May 2011	–	–
Recognised in income statement	1	1
At 30 April 2012	**1**	**1**
Set-off against deferred tax assets		**(1)**
		–

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

12. DEFERRED TAX (CONTINUED)

Deferred tax assets have not been recognised in respect of the following item:

	Group 2012 RM'000	Group 2011 RM'000
Unused tax losses	**4,644**	–

13. PROVISIONS

GROUP

	Restoration costs RM'000	Retirement benefits RM'000	Total RM'000
At beginning of year	1,178	–	1,178
Additional provision	908	80	988
Utilisation of provision	(16)	–	(16)
Acquisition of subsidiary company	–	293	293
Foreign currency translation	–	(2)	(2)
At end of year	2,070	371	2,441
At 30 April 2012			
Current	**356**	**–**	**356**
Non-current	**1,714**	**371**	**2,085**
	2,070	**371**	**2,441**
At 30 April 2011			
Current	150	–	150
Non-current	1,028	–	1,028
	1,178	–	1,178

Notes:

(a) Restoration costs

Provision for restoration costs is made based on the estimation of restoration of premises arising from the use of such premises, which are included in the cost of property, plant and equipment.

(b) Retirement benefits

A foreign subsidiary company operates an unfunded, defined retirement benefit scheme and the estimated liabilities of the benefits are based on actuarial valuation by an independent actuary.

The amount of unfunded defined benefit obligation recognised in the statement of financial position is determined as follows:

	Group 2012 RM'000	Group 2011 RM'000
Present value of obligation	**466**	–
Recognised actuarial gains	**(95)**	–
Retirement benefit obligations	**371**	–

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

13. PROVISIONS (CONTINUED)

(b) Retirement benefits (continued)

The amount recognised in the profit or loss is as follows:

	Group	
	2012 RM'000	**2011 RM'000**
Current service cost	**70**	–
Interest cost	**9**	–
Net actuarial gain	**1**	–
	80	–

The foreign subsidiary company maintains an unfunded retirement benefit plan where the estimated liabilities of employee benefit is determined based on actuary valuation by an independent actuary using the projected unit credit method. As part of the actuarial assumptions used by the independent actuary for the determination of the unfunded defined benefit obligations, a discount rate of 7% was used.

14. TRADE AND OTHER PAYABLES

	Group		Company	
	2012 RM'000	**2011 RM'000**	**2012 RM'000**	**2011 RM'000**
Trade payables	**5,155**	3,295	**–**	–
Other payables	**1,708**	5,332	**–**	–
Accruals	**8,104**	1,516	**437**	205
Amount owing to:				
– related companies	**78**	2	**78**	2
– subsidiary company	**–**	–	**1,479**	–
– holding company	**87**	1	**87**	1
	15,132	10,146	**2,081**	208

(a) Trade payables

These amounts are non-interest bearing. Trade payables are normally settled on 30 – 45 days (2011: 30 – 45 days) terms.

(b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on 30 – 45 days (2011: 30 – 45 days) terms.

(c) The amounts owing to related companies, subsidiary company and holding company are unsecured, non interest-bearing and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

15. REVENUE

Revenue consists of the following:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Sale of food and beverages	**88,598**	71,938	**–**	–
Dividends	**–**	–	**7,990**	5,950
	88,598	71,938	**7,990**	5,950

16. PROFIT BEFORE TAX

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Profit before tax is arrived at after charging:				
Directors' remuneration (Note 17)				
– emoluments (excluding benefits-in-kind)	**9**	244	**9**	1
– fees	**60**	57	**60**	57
Auditors' remuneration				
– statutory audit fee	**86**	65	**20**	20
– under provision in prior years	**10**	20	**–**	–
– fees for non audit services	**6**	17	**6**	–
Depreciation of property, plant and equipment	**5,201**	4,709	**1**	–
Loss on sale of property, plant and equipment	**83**	–	**–**	–
Property, plant and equipment written off	**451**	218	**–**	–
Rental expenses				
– related companies	**186**	895	**–**	–
– others	**12,674**	10,424	**–**	–
Royalty expense payable to a related company	**648**	468	**–**	–
Staff costs (Note a)	**22,800**	18,774	**181**	96
Loss on foreign exchange				
– realised	**3**	5	**–**	–
and crediting:				
Gain on sale of property, plant and equipment	**53**	71	**–**	–
Royalty fee income	**375**	423	**–**	–
Interest income:				
– holding company	**–**	356	**–**	–
– related companies	**–**	130	**–**	–
– financial institutions	**657**	222	**–**	–

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

16. PROFIT BEFORE TAX (CONTINUED)

(a) Staff costs consist of the following:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Wages, salaries and allowances	**16,672**	13,676	**–**	–
Social security costs and employees insurance	**301**	232	**31**	–
Bonuses	**1,402**	1,209	**–**	–
Pension costs				
– defined contribution plans	**2,002**	1,661	**–**	–
– defined benefit plan	**80**	–	**–**	–
Provision for short term compensated absences	**38**	59	**–**	–
Share option granted under ESOS	**475**	316	**150**	96
Other staff related expenses	**1,830**	1,621	**–**	–
	22,800	18,774	**181**	96

Staff costs exclude remuneration of executive directors.

17. DIRECTORS' REMUNERATION

The aggregate directors' remuneration paid or payable to all directors of the Group and of the Company categorised into appropriate components for the financial year are as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Directors of the Company				
Non-executive				
Fees	**60**	57	**60**	57
Other emoluments	**9**	1	**9**	1
	69	58	**69**	58
Other directors of the Group				
Salaries and other emoluments	**–**	243	**–**	–
Benefits-in-kind	**–**	5	**–**	–
	–	248	**–**	–
Total directors' remuneration	**69**	306	**69**	58

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

18. INCOME TAX EXPENSE

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Malaysian income tax:				
Current income tax	**3,684**	2,316	**–**	–
Over provision in prior years	**(71)**	(1,017)	**–**	–
	3,613	1,299	**–**	–
Deferred tax:				
Relating to origination and reversal of temporary differences	**8**	303	**–**	–
Under provision in prior years	**30**	780	**–**	–
	38	1,083	**–**	–
Income tax expense	**3,651**	2,382	**–**	–

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2011: 25%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Profit before tax	**14,635**	12,575	**6,649**	5,747
Applicable tax rate (%)	**25**	25	**25**	25
Taxation at applicable tax rate	**3,659**	3,144	**1,662**	1,437
Income not subject to tax	**(101)**	(13)	**(1,997)**	(1,488)
Expenses not deductible under tax legislation	**979**	450	**335**	51
Recognition of previously unrecognised deferred tax assets	**(20)**	–	**–**	–
Over provision of income tax in prior years	**(71)**	(1,017)	**–**	–
Under provision of deferred tax in prior years	**30**	780	**–**	–
Group relief	**(825)**	(962)	**–**	–
Income tax expense	**3,651**	2,382	**–**	–

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

19. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2012 RM'000	2011 RM'000
Profit attributable to equity holders	**11,126**	10,193
Weighted average number of ordinary shares in issue	**142,126**	141,371
Basic earnings per share (sen)	**7.83**	7.21

(b) Diluted

For the purpose of calculating diluted earnings per share, the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year, have been adjusted for the dilutive effects of the dilutive instruments of the Group.

	Group	
	2012 RM'000	2011 RM'000
Profit attributable to equity holders	**11,126**	10,193
Weighted average number of ordinary shares in issue	**142,126**	141,371
Assumed shares issued from the exercise of employees' share options	**2,240**	2,996
Adjusted weighted average number of ordinary shares	**144,366**	144,367
Diluted earnings per share (sen)	**7.71**	7.06

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

20. DIVIDENDS

	Company			
	2012 Net dividend per share Sen	2012 Net dividend RM'000	2011 Net dividend per share Sen	2011 Net dividend RM'000
Recognised during the year				
– First interim dividend of 6% single-tier dividend approved in respect of financial year ended 30 April 2011 (2011: Nil)	**3.00**	**4,257**	–	–
– First interim dividend of 4% single-tier dividend approved in respect of financial year ended 30 April 2012 (2011: Nil)	**2.00**	**2,844**	–	–
	5.00	**7,101**	–	–

On 20 June 2012, the Company approved and declared a second interim single tier dividend of 2.5 sen per share in respect of the financial year ended 30 April 2012 amounting to about RM3,589,000. The financial statements for the current financial year do not reflect this dividend. This dividend will be accounted for in the shareholders' equity as an appropriation of retained earnings in the financial year ending 30 April 2013.

21. SEGMENTAL INFORMATION

The Group operates predominantly in one business segment both in Malaysia and in Indonesia. The primary format, geographical segments, is based on the Group's management and internal reporting structure.

	Revenue RM'000	Capital expenditure RM'000	Assets RM'000
By geographical segments			
2012			
Malaysia	**86,012**	**8,970**	**71,210**
Indonesia	**2,586**	**92**	**8,161**
Total	**88,598**	**9,062**	**79,371**
2011			
Malaysia	71,938	4,348	64,282
Indonesia	–	–	–
Total	71,938	4,348	64,282

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

22. EMPLOYEES' SHARE OPTION SCHEME

The ESOS was approved by the shareholders at an Extraordinary General Meeting held on 14 January 2011. The ESOS is administered by a committee ("ESOS Committee").

All confirmed employees are entitled to a grant of options. The Grantee is an eligible employee who has accepted the offer of the options. The aggregate number of shares which a Grantee can subscribe under his option in a particular year shall at all times be subject to a maximum of twenty per cent of the total number of shares comprising the options held by such Grantee. However, options which are exercisable in a particular year can be carried forward and be exercised in the subsequent years. The exercise price of the first offer of the share options is equal to the initial public offer price of the shares in the Company and for subsequent offers, the subscription price shall be the five-day weighted average market price of the shares in the Company on the date of offer, with a discount not exceeding ten per cent or at par value of the shares, whichever is higher. The ESOS is for a period of five (5) years from the effective date which is 8 March 2011. The ESOS Committee shall have the discretion to extend the tenure of the ESOS for another five (5) years or such shorter period as it deems fit immediately from the expiry of the first five (5) years. There are no cash settlement alternatives.

The grant date of the first offer of ESOS was on 8 March 2011.

<u>Movement of share options during the financial year</u>

The following table illustrates the number ("No.") and exercise price ("EP") of, and movements in, share options during the financial year.

	Group 2012	
	No.	**EP (RM)**
Outstanding at beginning of year	**6,915,000**	**0.51**
– Forfeited	**(124,000)**	**0.51**
– Exercised	**(1,710,300)**	**0.51**
Outstanding at end of year	**5,080,700**	**0.51**
Exercisable at end of year	**764,300**	**0.51**

– The fair value of options granted at the grant date was estimated to be RM0.17.
– The weighted average share price at the date of exercise of the options exercised during the financial year was RM0.96.
– The exercise price for options outstanding at the end of the year was RM0.51 per share. The remaining contractual life for these options is 3.85 years.

<u>Fair value of share options granted</u>

The fair value of the share options granted is estimated at the grant date using a binomial option pricing model, taking into account the terms and conditions upon which the instruments were granted.

The following table lists the inputs to the option pricing model.

	Grant date 8.03.2011
Dividend yield (%)	5.20
Expected volatility (%)	37.55
Risk-free interest rate (% p.a)	3.51
Expected life of options (Years)	5
Underlying share price (RM)	0.635

The expected life of the options is based on the contractual life of the options. The expected volatility reflects the assumption that the historical volatility, over a period similar to the life of the options, is indicative of future trends, which may not necessarily be the actual outcome.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

23. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the transactions detailed in Note 16, the Group had the following transactions with related parties during the financial year:

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Management fees payable to Berjaya Corporation Berhad	**300**	–	**300**	–
Purchase of cleaning material from Kimia Suchi Marketing Sdn. Bhd. *	**194**	165	**–**	–
Promotion and advertising expenses charged by Sun Media Corporation Sdn. Bhd. **	**989**	292	**–**	–
Purchase of motor vehicles, component parts and other related products and services from Dunia Prestasi Auto Sdn. Bhd. **	**981**	140	**–**	–

Notes:
* Subsidiary company of BCorp group
** Associate company of BCorp group

The purchase of products such as cleaning material, motor vehicles and rendering of services by related companies to the Group were made according to published prices and on terms and conditions which are not materially different from those normally offered by the related companies to their major customers.

Other related party transactions are entered into based on mutually agreed terms between the related parties.

24. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel are the directors of the Company. The remuneration received by the key management personnel are disclosed in Note 17.

25. COMMITMENTS

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Capital expenditure				
Property, plant and equipment				
– approved and contracted for	**10,280**	1,989	**–**	–
– approved but not contracted for	**6,584**	11,590	**–**	–
	16,864	13,579	**–**	–
Purchase consideration for shares (Note 31(1))	**71,698**	–	**71,698**	–
	88,562	13,579	**71,698**	–

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

25. COMMITMENTS (CONTINUED)

The future aggregate minimum lease payments under non-cancellable operating leases contracted for as at the reporting date but not recognised as liabilities are as follows:

	Group	
	2012 RM'000	2011 RM'000
Non-cancellable operating lease commitments as lessees		
– Within 1 year after reporting date	**7,914**	470
– Later than 1 year but not more than 5 years	**9,472**	704
	17,386	1,174

26. CONTINGENT LIABILITY

	Group	
	2012 RM'000	2011 RM'000
Unsecured		
Bank guarantees issued to third parties	**241**	310

27. FINANCIAL INSTRUMENTS

(i) Classification of financial instruments

The following table analyses the financial assets and financial liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

GROUP

	Note	Loans and receivables RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
2012				
Assets				
Trade and other receivables	7	**10,471**	**–**	**10,471**
Deposit with financial institution	8	**8,800**	**–**	**8,800**
Cash and bank balances	9	**27,910**	**–**	**27,910**
Total financial assets		**47,181**	**–**	**47,181**
Total non-financial assets				**32,190**
Total assets				**79,371**
Liabilities				
Trade and other payables, representing total financial liabilities	14	**–**	**15,132**	**15,132**
Total non-financial liabilities				**5,635**
Total liabilities				**20,767**

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

27. FINANCIAL INSTRUMENTS (CONTINUED)

(i) Classification of financial instruments (continued)

GROUP

	Note	Loans and receivables RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
2011				
Assets				
Trade and other receivables	7	4,987	–	4,987
Deposit with financial institution	8	10,300	–	10,300
Cash and bank balances	9	26,459	–	26,459
Total financial assets		41,746	–	41,746
Total non-financial assets				22,536
Total assets				64,282
Liabilities				
Trade and other payables, representing total financial liabilities	14	–	10,146	10,146
Total non-financial liabilities				3,343
Total liabilities				13,489

COMPANY

	Note	Loans and receivables RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
2012				
Assets				
Trade and other receivables	7	**3,168**	**–**	**3,168**
Cash and bank balances	9	**511**	**–**	**511**
Total financial assets		**3,679**	**–**	**3,679**
Total non-financial assets				**77,198**
Total assets				**80,877**
Liabilities				
Trade and other payables, representing total financial liabilities and total liabilities	14	**–**	**2,081**	**2,081**
2011				
Assets				
Trade and other receivables	7	5,568	–	5,568
Cash and bank balances	9	211	–	211
Total financial assets		5,779	–	5,779
Total non-financial assets				72,330
Total assets				78,109
Liabilities				
Trade and other payables, representing total financial liabilities and total liabilities	14	–	208	208

27. FINANCIAL INSTRUMENTS (CONTINUED)

(ii) Determination of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair values:

	Note
Current	
Trade and other receivables	7
Trade and other payables	14

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its market risk (including interest rate risk and foreign exchange risk), liquidity risk and credit risk. The Group operates within clearly defined guidelines and the Group's policy is not to engage in speculative transactions.

(a) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

Sensitivity analysis for interest rate risk

The Group has no interest bearing borrowings as at the reporting date while contribution from interest income is insignificant. As such, the Group is not sensitive to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transaction currency exposure arising from purchases that are denominated in United States Dollar ("USD") and Singapore Dollar ("SGD"). Approximately 1.3% of the Company's cost of sales are denominated in foreign currencies. The Company's foreign exchange exposures in transactional currencies are kept to a minimal level.

Sensitivity analysis for foreign currency risk

The Group has minimal purchases denominated in foreign currencies. As such, the Group is not sensitive to foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS
– 30 April 2012

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk

The Group's credit risk is primarily attributable to credit card sales. The Group trades only with recognised and creditworthy card centres.

The Group's sales are mainly on cash basis, as such, it is not exposed to significant credit risks in relation to its sales. Credit risks, or the risk of counterparties defaulting are minimized and monitored via strictly limiting the Group's associations to business partners with high creditworthiness.

At the reporting date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

The Group does not have any significant exposure to any individual customer or counter party nor does it have any major concentration of credit risk related to any financial instrument.

<u>Financial assets that are neither past due nor impaired</u>

Information regarding trade and other receivables and amounts due from holding company and other related companies that are neither past due nor impaired is disclosed in Note 7. Deposits with banks and other financial institutions that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

<u>Financial assets that are either past due or impaired</u>

Information regarding financial assets that are either past due or impaired is disclosed in Note 7.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funds so as to ensure that all refinancing, repayment and funding needs are met. As part of the Group's liquidity management, it maintains sufficient levels of cash and seeks co-operation and support from its suppliers and vendors to meet its working capital requirements.

<u>Analysis of financial instruments by remaining contractual maturities</u>

The Group's trade and other payables are either repayable on demand or mature within one year.

29. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maintain an optimal capital structure in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic condition. To maintain or adjust its capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

30. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(1) On 27 July 2011, the Company announced that it had incorporated Berjaya Food (International) Sdn Bhd with an issued and paid up share capital of RM2.00.

(2) On 16 January 2012, Berjaya Food (International) Sdn Bhd ("BFI"), a wholly owned subsidiary company of the Company, completed the acquisition of 51% equity interest in PT Boga Lestari Sentosa, ("PT Boga"), a company incorporated in Indonesia for a cash consideration of IDR3.96 billion (equivalent to about RM1.39 million). PT Boga holds the franchise to develop and operate the Kenny Rogers Roasters ("KRR") franchise in Java island and Bali, Indonesia.

On completion of the acquisition, PT Boga undertook a rights issue to raise IDR9 billion (equivalent to about RM3.1 million) whereby BFI subscribed for its rights entitlement of IDR4.59 billion (equivalent to about RM1.58 million) to raise funds for working capital.

BFI will also provide a shareholder's loan of up to IDR17.61 billion (equivalent to about RM6.09 million) to PT Boga for a period of 7 years for the development of the KRR brand and opening of future KRR restaurants in Indonesia and BFI will have an option to increase its equity interest in PT Boga from 51% to 70% at an average option price of IDR943,000 per PT Boga share (based on option to be exercised in full). This proposed option shall be for a period of 7 years and is exercisable anytime upon obtaining the approvals from the relevant authorities.

31. SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR END

(1) On 19 July 2012, BFood completed the acquisition of a 50% equity interest in Berjaya Starbucks Coffee Company Sdn Bhd from Berjaya Group Berhad for a cash consideration of about RM71.7 million.

(2) On 25 August 2011, the Company announced a proposed renounceable rights issue of up to 118,944,800 new shares ("Rights Shares") in the Company together with up to 118,944,800 free detachable warrants ("Warrants") on the basis of four (4) Rights Shares together with four (4) Warrants for every five (5) BFood shares held by the entitled shareholders of the Company at an issue price of RM0.65 per Rights Share ("Rights Issue"). The exercise price of the Warrant is RM0.70 for every one new BFood share. A total of 115,081,760 Rights Shares and 115,081,760 Warrants were allotted on 9 August 2012. The Rights Shares and Warrants were listed on the Main Market of Bursa Malaysia Securities Berhad on 13 August 2012.

After taking into consideration those shares issued under the ESOS and the number of rights shares issued, the share capital of the Company increased from 143,476,300 at 30 April 2012 to 258,963,960 at 13 August 2012.

SUPPLEMENTARY INFORMATION

32. SUPPLEMENTARY INFORMATION – BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

The breakdown of the retained profits of the Group and of the Company as at 30 April 2012 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Securities dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Realised profits	**39,309**	35,334	**4,949**	5,401
Unrealised losses	**(1,904)**	(1,954)	**–**	–
Total retained profits	**37,405**	33,380	**4,949**	5,401

RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE NATURE

For the year ended 30 April 2012

The class and nature of the Recurrent Related Party Transactions of Berjaya Food Group are tabulated as follows:

Berjaya Food Berhad ("BFood") Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its unlisted subsidiaries	Amount transacted from 1.5.11–30.4.12 (RM'000)
Berjaya Corporation Berhad ("BCorp") and its unlisted subsidiaries:		
BCorp	Management fees payable by BFood for services rendered that include, inter-alia, the provision of finance, secretarial and general administrative services	300
Berjaya Registration Services Sdn Bhd	Receipt of share registration services by BFood	23
Roasters Asia Pacific (M) Sdn Bhd	Royalty fee payable by BRoasters	559
	Income receivable pursuant to the rights awarded by BRoasters for granting of franchises to the Independent Franchisees	375
Securexpress Services Sdn Bhd	Provision of transportation services to BRoasters	61
Total		**1,318**
Berjaya Land Berhad ("BLand") and its unlisted subsidiaries:		
Cempaka Properties Sdn Bhd	Rental payable at RM8,489 per month for renting of shoplot by BRoasters at Lot G-83 (Ground Floor) and concourse area at Lot CCS-B-Bay 5A, Berjaya Megamall, Kuantan. Tenure of the rental agreement is for a period of 3 years and renewable thereafter	102
Total		**102**
Berjaya Assets Berhad ("BAssets") and its unlisted subsidiaries:		
Berjaya Times Square Sdn Bhd	Rental payable at RM33,932 per month for renting of shoplot by BRoasters at Lot 03-85, Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter	362
	Rental payable at RM18,858 per month for renting of office by BRoasters at Lots 09-06 to 09-13, 9th Floor, Berjaya Times Square, No.1, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter	220
	Parking charges payable by BRoasters	40
Total		**622**

RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE NATURE
For the year ended 30 April 2012

Berjaya Food Berhad ("BFood") Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its unlisted subsidiaries	Amount transacted from 1.5.11–30.4.12 (RM'000)
Berjaya Media Berhad ("BMedia") and its unlisted subsidiaries:		
Sun Media Corporation Sdn Bhd	Procurement of advertising and publishing services by BFood Group	989
Total		**989**
Cosway Corporation Limited ("CCL") and its unlisted subsidiary:		
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products by BRoasters	194
Total		**194**
Other related companies:-		
Qinetics Solutions Sdn Bhd (a) *(converted from Berhad on 23 May 2012)*	Purchase of hardware, software and network equipment by BRoasters	59
Dunia Prestasi Auto Sdn Bhd (b)	Purchase of motor vehicles and related products and services by BRoasters	981
Total		**1,040**
Grand total		**4,265**

Notes:

a. Qinetics Solutions Sdn Bhd is a 98.36% owned subsidiary of MOL.com. BCorp and Tan Sri Dato' Seri Vincent Tan Chee Yioun are major shareholders of Qinetics Solutions Sdn Bhd by virtue of their interest in MOL.com.

b. An associated company of BCorp Group.

OTHER INFORMATION

Material Contracts

Other than as disclosed in Notes 7, 14, 15, 16, 23, 25, 26, 30 and 31 to the financial statements for the financial year ended 30 April 2012, there were no other material contracts entered into by Berjaya Food Berhad and its subsidiary companies involving Directors and major shareholders.

Additional Information

The amount of non-audit fees incurred for services rendered to the Group for the financial year ended 30 April 2012 amounted to RM6,000.

STATEMENT OF DIRECTORS' SHAREHOLDINGS
As at 13 August 2012

The Company:

Berjaya Food Berhad	Number of ordinary shares of RM0.50 each Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	965,300	0.37	–	–
Dato' Lee Kok Chuan	756,300	0.29	–	–
Tan Thiam Chai	260,000	0.10	–	–
Datuk Zainun Aishah Binti Ahmad	72,000	0.03	–	–
Dato' Mustapha Bin Abd Hamid	216,000	0.08	–	–

	Number of ordinary shares of RM0.50 each under employees' share option scheme Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	600,000	0.23	–	–
Dato' Lee Kok Chuan	650,000	0.25	–	–
Tan Thiam Chai	60,000	0.02	–	–
Datuk Zainun Aishah Binti Ahmad	60,000	0.02	–	–
Dato' Mustapha Bin Abd Hamid	60,000	0.02	–	–

	Number of Warrants Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	465,300	0.40	–	–
Dato' Lee Kok Chuan	356,300	0.31	–	–
Tan Thiam Chai	120,000	0.10	–	–
Datuk Zainun Aishah Binti Ahmad	32,000	0.03	–	–
Dato' Mustapha Bin Abd Hamid	96,000	0.08	–	–

Ultimate Holding Company:

Berjaya Corporation Berhad	Number of ordinary shares of RM1.00 each Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	722,847	0.02	599,416,995	14.19
			5,000 #	0.00
Dato' Lee Kok Chuan	24,000	0.00	–	–
Tan Thiam Chai	123,294	0.00	104,164 #	0.00

	Number of 0% Irredeemable Convertible Unsecured Loan Stocks 2005/2015 of RM0.50 nominal value each Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	–	–	12,401,200	1.89
Dato' Lee Kok Chuan	22	0.00	17 #	0.00

STATEMENT OF DIRECTORS' SHAREHOLDINGS
As at 13 August 2012

	Number of 5% Irredeemable Convertible Unsecured Loan Stocks 2012/2022 of RM1.00 nominal value each			
	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	2,620,500	0.38	87,029,000	12.51
			1,000 #	0.00
Dato' Lee Kok Chuan	50,000	0.01	–	–
Tan Thiam Chai	20,600	0.00	17,400 #	0.00

	Number of Warrants			
	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	2,620,500	0.37	87,029,000	12.43
			1,000 #	0.00
Tan Thiam Chai	20,600	0.00	17,400 #	0.00

Related Companies:

	Number of ordinary shares of RM0.50 each			
Berjaya Land Berhad	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	600,000	0.01	56,600,000	1.14
Tan Thiam Chai	40,000	0.00	–	–

	Number of ordinary shares of RM0.10 each			
Berjaya Sports Toto Berhad	Direct Interest	%	Deemed Interest	%
Dato' Robin Tan Yeong Ching	828,000	0.06	–	–
Dato' Lee Kok Chuan	60,000	0.00	–	–
Tan Thiam Chai	163,542	0.01	66,000 #	0.00

# Denotes Indirect Interest pursuant to Section 134 (12) (c) of the Companies Act, 1965.

SUBSTANTIAL SHAREHOLDERS AS AT 13 AUGUST 2012

	Number of ordinary shares of RM0.50 each			
Name	Direct Interest	%	Deemed Interest	%
Berjaya Group Berhad	189,919,860	73.34	–	–
Berjaya Corporation Berhad	–	–	189,919,860(a)	73.34
Tan Sri Dato' Seri Vincent Tan Chee Yioun	–	–	189,919,860(b)	73.34

(a) Deemed interested by virtue of its 100% equity interest in Berjaya Group Berhad.
(b) Deemed interested by virtue of his interest in Berjaya Corporation Berhad.

STATISTICS ON SHARES AND WARRANTS

As at 13 August 2012

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
less than 100	126	8.19	1,303	0.00
100 – 1,000	324	21.07	148,317	0.06
1,001 – 10,000	675	43.89	3,432,060	1.32
10,001 – 100,000	332	21.59	10,155,380	3.92
100,001 – 12,948,197	78	5.07	55,307,040	21.36
12,948,198* and above	3	0.19	189,919,860	73.34
Total	**1,538**	**100.00**	**258,963,960**	**100.00**

Note: There is only one class of shares in the paid-up capital of the Company. Each share entitles the holder to one vote.

* Denotes 5% of the issued share capital of the Company.

THIRTY (30) LARGEST SHAREHOLDERS

Name of Shareholders		No. of Shares Held	%
1	Berjaya Group Berhad	89,919,860	34.72
2	Cartaban Nominees (Tempatan) Sdn Bhd Raiffeisen Bank International For Berjaya Group Berhad	85,000,000	32.82
3	Malaysia Nominees (Tempatan) Sendirian Berhad Pledged Securities Account For Berjaya Group Berhad (01-00844-000)	15,000,000	5.79
4	Universal Trustee (Malaysia) Berhad CIMB Islamic Small Cap Fund	4,562,600	1.76
5	Amsec Nominees (Tempatan) Sdn Bhd Amtrustee Berhad For Hong Leong Penny Stock Fund	3,891,600	1.50
6	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad For CIMB-Principal Small Cap Fund (240218)	3,882,600	1.50
7	HLG Nominees (Tempatan) Sdn Bhd PB Trustee Services Berhad For Hong Leong Growth Fund	3,688,200	1.43
8	Lim Boon Liat	3,470,000	1.34
9	Amanahraya Trustees Berhad Public Smallcap Fund	2,495,880	0.96
10	Zurich Insurance Malaysia Berhad As Beneficial Owner (Growth Fund)	2,221,200	0.86
11	Amsec Nominees (Tempatan) Sdn Bhd Amtrustee Berhad For Hong Leong Strategic Fund	2,203,200	0.85
12	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Bank Bhd For Lim Soon Aik	1,850,000	0.72
13	Amanahraya Trustees Berhad Public Strategic Smallcap Fund	1,564,020	0.60
14	Woon Chuan Keong	1,548,000	0.60

STATISTICS ON SHARES AND WARRANTS
As at 13 August 2012

THIRTY (30) LARGEST SHAREHOLDERS (CONTINUED)

	Name of Shareholders	No. of Shares Held	%
15	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Wong Yee Hui	1,260,000	0.49
16	Lim Sew Muei	1,152,000	0.45
17	Dato' Robin Tan Yeong Ching	965,300	0.37
18	Lee Siew Weng	824,800	0.32
19	Amsec Nominees (Tempatan) Sdn Bhd Amtrustee Berhad For Hong Leong Dividend Fund	786,600	0.30
20	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Asset Management Bhd For Program Pertukaran Fellowship Perdana Menteri Malaysia (1085)	756,000	0.29
21	Thye Mooi Lee	700,000	0.27
22	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ling Choo Kong (E-KLC)	680,500	0.26
23	UOBM Nominees (Tempatan) Sdn Bhd Hong Leong Asset Management Bhd For Uni. Asia Life Assurance Berhad (Life Fund-PAR GA)	648,000	0.25
24	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Bank Bhd For Yap Ee Soon	648,000	0.25
25	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Bank Bhd For Yew Hong Hong	648,000	0.25
26	Citigroup Nominees (Tempatan) Sdn Bhd Exempt An For American International Assurance Berhad	614,480	0.24
27	Siew Lip Sung	612,000	0.24
28	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Bank Bhd For Soon Chee Shyang	550,000	0.21
29	UOBM Nominees (Tempatan) Sdn Bhd Hong Leong Asset Management Bhd For Uni. Asia Life Assurance Berhad (Life-Non PAR)	549,000	0.21
30	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Asset Management Bhd For Koperasi Pekerja Intel Berhad (1087)	540,000	0.21
		233,231,840	**90.06**

ANALYSIS OF WARRANT HOLDINGS

Size of Warrant Holdings	No. of Warrant Holders	%	No. of Warrants	%
less than 100	7	0.79	560	0.00
100 – 1,000	254	28.60	130,500	0.11
1,001 – 10,000	398	44.82	1,899,920	1.65
10,001 – 100,000	176	19.82	5,741,220	4.99
100,001 – 5,754,087	52	5.86	22,900,700	19.90
5,754,088* and above	1	0.11	84,408,860	73.35
Total	**888**	**100.00**	**115,081,760**	**100.00**

* Denotes 5% of the Warrants outstanding.

STATISTICS ON SHARES AND WARRANTS
As at 13 August 2012

THIRTY (30) LARGEST WARRANT HOLDERS

	Name of Warrant Holders	No. of Warrants Held	%
1	Berjaya Group Berhad	84,408,860	73.35
2	Universal Trustee (Malaysia) Berhad CIMB Islamic Small Cap Fund	2,005,600	1.74
3	Amsec Nominees (Tempatan) Sdn Bhd Amtrustee Berhad For Hong Leong Penny Stock Fund	1,729,600	1.50
4	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad For CIMB-Principal Small Cap Fund (240218)	1,725,600	1.50
5	HLG Nominee (Tempatan) Sdn Bhd PB Trustee Services Berhad For Hong Leong Growth Fund	1,639,200	1.43
6	Lim Boon Liat	1,590,000	1.38
7	Zurich Insurance Malaysia Berhad As Beneficial Owner (Growth Fund)	987,200	0.86
8	Amsec Nominees (Tempatan) Sdn Bhd Amtrustee Berhad For Hong Leong Strategic Fund	979,200	0.85
9	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Bank Bhd For Lim Soon Aik	850,000	0.74
10	Amanahraya Trustees Berhad Public Strategic Smallcap Fund	695,120	0.60
11	Woon Chuan Keong	688,000	0.60
12	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Wong Yee Hui	560,000	0.49
13	Lim Sew Muei	512,000	0.45
14	Dato' Robin Tan Yeong Ching	465,300	0.40
15	Lee Siew Weng	394,800	0.34
16	Amsec Nominees (Tempatan) Sdn Bhd Amtrustee Berhad For Hong Leong Dividend Fund	349,600	0.30
17	Amanahraya Trustees Berhad Public Smallcap Fund	338,080	0.29
18	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Asset Management Bhd For Program Pertukaran Fellowship Perdana Menteri Malaysia (1085)	336,000	0.29
19	Universal Trustee (Malaysia) Berhad CIMB-Principal Equity Fund 2	334,480	0.29
20	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ling Choo Kong (E-KLC)	320,000	0.28
21	Thye Mooi Lee	288,000	0.25
22	UOBM Nominees (Tempatan) Sdn Bhd Hong Leong Asset Management Bhd. For Uni. Asia Life Assurance Berhad (Life Fund-Par GA)	288,000	0.25
23	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Bank Bhd For Yap Ee Soon	288,000	0.25
24	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Bank Bhd For Yew Hong Hong	288,000	0.25
25	Dato' Lee Kok Chuan	276,300	0.24
26	Siew Lip Sung	272,000	0.24
27	RHB Nominees (Tempatan) Sdn Bhd Amara Investment Management Sdn Bhd For Wong Yee Hui	256,000	0.22
28	Citigroup Nominees (Tempatan) Sdn Bhd Exempt An For American International Assurance Berhad	250,880	0.22
29	HLG Nominee (Tempatan) Sdn Bhd Hong Leong Bank Bhd For Soon Chee Shyang	250,000	0.22
30	UOBM Nominees (Tempatan) Sdn Bhd Hong Leong Asset Management Bhd. For Uni. Asia Life Assurance Berhad (Life-Non Par)	244,000	0.21
		103,609,820	**90.03**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Third Annual General Meeting of Berjaya Food Berhad will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 9 October 2012 at 10.00 a.m. for the following purposes:-

AGENDA

1. To receive and adopt the audited financial statements of the Company for the year ended 30 April 2012 and the Directors' and Auditors' Reports thereon. **RESOLUTION 1**

2. To approve the payment of Directors' fees amounting to RM60,000 for the year ended 30 April 2012. **RESOLUTION 2**

3. To re-elect the following Directors who retire pursuant to Article 94 of the Company's Articles of Association:-

   (a) Dato' Lee Kok Chuan **RESOLUTION 3**
   (b) Dato' Mustapha Bin Abd Hamid **RESOLUTION 4**

4. To re-appoint Messrs Ernst & Young as Auditors and to authorise the Directors to fix their remuneration. **RESOLUTION 5**

5. As special business:-

   To consider and, if thought fit, pass the following Ordinary Resolutions:-

   i) AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

   "THAT, subject always to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue and allot shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." **RESOLUTION 6**

   ii) PROPOSED RENEWAL OF AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

   "THAT, subject to the provisions of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements, approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with the related parties, as detailed in Section 2.3 of the Circular to Shareholders dated 14 September 2012 ("Proposed Mandate") which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such mandate shall continue to be in force until:-

   (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which the ordinary resolution for the Proposed Mandate will be passed, at which time it will lapse, unless by a resolution passed at a general meeting, the authority is renewed;

NOTICE OF ANNUAL GENERAL MEETING

(b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 143(1) of the Companies Act, 1965 (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Companies Act, 1965); or

(c) revoked or varied by resolution passed by the shareholders at a general meeting;

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution." **RESOLUTION 7**

By Order of the Board

SU SWEE HONG
Secretary

Kuala Lumpur
14 September 2012

NOTES:

(A) Appointment of Proxy

(i) A member entitled to attend and vote at a meeting of the Company is entitled to appoint one (1) proxy only to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

(ii) A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint one (1) proxy in respect of each securities account.

(iii) The instrument appointing a proxy, shall be in writing under the hands of the appointor or of his attorney duly authorised in writing, or if such appointor is a corporation, under its common seal, or the hand of its officer or its duly authorised attorney.

(iv) The instrument appointing a proxy must be deposited at the Company's Registered Office, Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

(v) Depositors whose names appear in the Record of Depositors as at 2 October 2012 shall be regarded as members of the Company entitled to attend the Annual General Meeting or appoint proxies to attend on their behalf.

(B) Special Business

(i) Resolution 6 is proposed for the purpose of granting a general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965, to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up share capital of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the Second Annual General Meeting held on 27 September 2011 and which will lapse at the conclusion of the Third Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

(ii) Resolution 7, if passed, will allow the Company and its subsidiaries to enter into Recurrent Related Party Transactions in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Proposed Shareholders' Mandate"). Detailed information on the Proposed Shareholders' Mandate is set out in Circular to Shareholders dated 14 September 2012 which is despatched together with the Company's 2012 Annual Report.

FORM OF PROXY

BERJAYA

BERJAYA FOOD BERHAD
(Company No. 876057-U)

I/We ____
(Name in full)

I.C. or Company No. ______________________ CDS Account No. ______________
(New and Old I.C. Nos.)

of ____
(Address)

being a member/members of BERJAYA FOOD BERHAD

hereby appoint ______________________ I.C. No. ______________________ of
(Name in full) *(New and Old I.C. Nos.)*

____
(Address)

or failing him/her ______________________ I.C. No. ______________________ of
(Name in full) *(New and Old I.C. Nos.)*

____
(Address)

or failing him/her, the CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf, at the Third Annual General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Tuesday, 9 October 2012 at 10.00 a.m. and any adjournment thereof.

This proxy is to vote on the Resolutions set out in the Notice of the Meeting as indicated with an **"X"** in the appropriate spaces. If no specific direction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

	FOR	AGAINST
RESOLUTION 1 – To receive and adopt the Audited Financial Statements.		
RESOLUTION 2 – To approve payment of Directors' Fees.		
RESOLUTION 3 – To re-elect Dato' Lee Kok Chuan as Director.		
RESOLUTION 4 – To re-elect Dato' Mustapha Bin Abd Hamid as Director.		
RESOLUTION 5 – To re-appoint Auditors.		
RESOLUTION 6 – To approve authority to issue and allot shares.		
RESOLUTION 7 – To renew shareholders' mandate for Recurrent Related Party Transactions.		

No. of Shares Held

____
Signature of Member

Dated this ________ day of ________________ 2012

NOTES:

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5) Depositors whose names appear in the Record of Depositors as at 2 October 2012 shall be regarded as members of the Company entitled to attend the Annual General Meeting or appoint proxies to attend on their behalf.

Fold this flap for sealing

Affix Stamp

THE COMPANY SECRETARY
BERJAYA FOOD BERHAD
LOT 13-01A, LEVEL 13 (EAST WING)
BERJAYA TIMES SQUARE
NO. 1 JALAN IMBI
55100 KUALA LUMPUR

2nd fold here

1st fold here

The Company Secretary

Lot 13-01A, Level 13 (East Wing),
Berjaya Times Square,
No. 1, Jalan Imbi,
55100 Kuala Lumpur.
Tel: 03-2149 1999
Fax: 03-2143 1685

Berjaya Food Berhad

Lot 13-01A, Level 13 (East Wing),
Berjaya Times Square,
No. 1, Jalan Imbi,
55100 Kuala Lumpur.
Tel : 03-2149 1999
Fax : 03-2143 1685

Berjaya Roasters (M) Sdn. Bhd.

Lot 9-16, Level 9 (East Wing),
Berjaya Times Square,
No. 1, Jalan Imbi,
55100 Kuala Lumpur.
Tel : 03-2119 9888
Fax : 03-2142 7688

www.berjaya.com