



**BERJAYA**  
**BERJAYA FOOD BERHAD**

[Registration No. 200901032946 (876057-U)]



# SERVING THE FUTURE RESPONSIBLY

ANNUAL REPORT 2024



# VISION

To be the leading Food and Beverage organisation with a portfolio of reputable brands that will enhance profitable and sustainable growth and stakeholder returns.

# MISSION

- To ensure we provide a people culture that is performance driven and built on the foundations of personal development, diversity, and mutual respect for each other.
- To ensure total customer satisfaction.
- To generate a profitable rate of return for all our shareholders.
- To carry out our business in ways that are socially and environmentally responsible.

## 15<sup>TH</sup> ANNUAL GENERAL MEETING



Wednesday,  
11 December 2024  
10.00 a.m.



Manhattan V, Level 14,  
Berjaya Times Square Hotel Kuala Lumpur,  
No. 1, Jalan Imbi, 55100 Kuala Lumpur

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# Corporate Profile



**Berjaya Food Berhad ("BFood") was incorporated in Malaysia on 21 October 2009. It was converted into a Public Listed Company on 3 December 2009 and 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. BRoasters is engaged in the development and operation of the Kenny Rogers ROASTERS ("KRR") chain of restaurants in Malaysia.**

On 19 July 2012, BFood completed the acquisition of 11,500,000 ordinary shares of RM1.00 each, representing a 50% equity interest in Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks") for a cash consideration of RM71.7 million. The remaining 50% equity interest was held by Starbucks Coffee International, Inc ("SCI"). On 9 August 2012, BFood completed its Rights Issue of 115,081,760 new shares and 115,081,760 warrants. The new shares and new warrants arising from the Rights Issue were listed on the Main Market of Bursa Malaysia Securities Berhad on 13 August 2012. On 18 September 2014, BFood completed the acquisition of 11,500,000 ordinary shares of RM1.00 each, representing the remaining 50% equity interest in BStarbucks not owned by BFood for a total cash consideration of USD88,000,000 (equivalent to about RM279.52 million). BStarbucks is now a 100% owned subsidiary of BFood.

On 7 December 2012, BFI acquired a 100% equity interest in Jollibean Foods Pte Ltd, Singapore ("Jollibean Foods") for a cash consideration of RM19.02 million. On 30 January 2018, the Company's wholly-owned subsidiary, Berjaya Food (International) Sdn Bhd ("BFI") completed the disposal of 5% equity interest in Jollibean Foods to Dato' Sydney Lawrance Quays for a cash consideration of SGD150,000 (equivalent to about RM445,020).

On 23 October 2023, BFI entered into a Share Sales Agreement ("SSA") with Joybean Inc Pte Ltd for the disposal by BFI of its 65% equity interest comprising 950,000 ordinary shares in Jollibean Foods Pte Ltd to Joybean Inc Pte Ltd for a total cash consideration of SGD637,000 (or about RM2.21 million). The said disposal was completed on 1 November 2023.

On 7 October 2013, BFI entered into a Joint Venture Cum Shareholders' Agreement ("JVSA") with Deluxe Daily Food Sdn Bhd ("Deluxe") for the subscription of 80% equity interest in Berjaya Food Supreme Sdn Bhd ("BFS"), a Brunei Darussalam incorporated company to undertake the operations of "Starbucks Coffee" chain of cafes in Brunei Darussalam for a total cash consideration of about BND1.20 million (or about RM6.20 million). The remaining 20% was subscribed by Deluxe.

On 19 August 2020, BFI entered into a Subscription Cum Shareholders Agreement for the proposed subscription of 50% of the enlarged issued share capital of Ser Vegano Sdn Bhd ("Ser Vegano") for a total cash subscription price of RM250,000. Ser Vegano is operating a Latin-inspired, Tex-Mex, plant-based vegan restaurant under the name "SALA". On 31 July 2024, BFI entered into a Share Sales Agreement ("SSA") with Mr. Mohammed Fauzi Bin Hussein

Nazri for the disposal of 50,100 ordinary shares, representing 50% of equity interest in Ser Vegano for a cash consideration of RM1.00 only. The said disposal was completed on 1 August 2024.

Berjaya Kelava Sdn Bhd ("BKelava") incorporated in Malaysia on 1 November 2021. On the same date, BFI entered into a Subscription Cum Shareholders Agreement for the proposed subscription of 51% of the issued share capital for BKelava for a total cash subscription price of RM200,430. A Share Sales Agreement ("SSA") dated on 4 October 2024 was entered into between BFI and Countryfarm Organics Sdn Bhd, an indirect-owned subsidiary of Berjaya Corporation Berhad ("BCorporation") for the disposal of 200,430 ordinary shares, representing 51% equity interest in BKelava for a cash consideration of RM1.00; and 3,238,855 of 6% redeemable convertible preference shares in BKelava for a cash consideration of RM1.35 million.

On 20 June 2022, BFI entered into a Joint Venture Agreement ("JVA") for the subscription of 50% of the issued share capital of Berjaya Paris Baguette Sdn Bhd ("BPBM") with the international bakery operator, Paris Baguette Singapore Pte Ltd. BPBM is a fast-casual French-inspired South Korean bakery under the brand name "Paris Baguette".



## Corporate Profile



On 1 August 2023, BFI entered into a Joint Venture Cum Shareholders Agreement ("JVSA") with Middle Trade, Inc. ("MTI") to incorporate a new company, Berjaya Paris Baguette Philippines Inc. ("BPBP"), in the Philippines to jointly develop and operate the "Paris Baguette" bakery chain in the Philippines. BFI will subscribe to a 60% equity interest in BPBP for a total cash consideration of about PHP89.7 million (or about RM6.65 million). The remaining 40% of the equity interest of BPBP will be subscribed by MTI.

On 4 March 2024, BFI established a subsidiary company Berjaya Nordic (Denmark) ApS ("BNDA") through a subscription of 5,348 new ordinary shares in BNDA, representing 95.5% equity interest in BNDA for EUR5,348 (equivalent to approximately RM28,000). The intended principal activity of BNDA is investment holding.

Subsequently, on 18 March 2024, BNDA completed the incorporation of Berjaya Coffee Nordic ApS ("BCNA") on 18 March 2024 with a subscription of 5,600 ordinary shares, representing 100% equity interest in BCNA for an initial paid-up share capital of EUR5,600 (or about RM28,500). BCNA is set to operate "Starbucks Coffee" chain of cafés in Denmark.

On 27 March 2024, Berjaya Coffee (Iceland) ehf ("BCI"), an Icelandic limited liability company was incorporated under BNDA with the subscription of 500,000 ordinary shares in BCI, representing a 100% equity interest, for an initial paid-up share capital of EUR3,327 (or about RM17,227).

### STARBUCKS

Starbucks Coffee in Malaysia is operated by BStarbucks. From its first store opening in Kuala Lumpur on 17 December 1998, Starbucks is now available in 16 states and Federal Territories in Malaysia. As at 30 June 2024, there are a total of 408 stores nationwide.

BStarbucks is also the first coffeehouse in Malaysia to introduce a drive-thru concept store in December 2009 in Johor Bahru. As at 30 June 2024, there are a total of 80 Starbucks drive-thru stores across Malaysia. In 2015, BStarbucks opened the first Starbucks Reserve™ concept store as part of its commitment to push premium coffee experience even further through the retail of some of the world's most exceptional beans and an immersive coffeehouse experience. As at 30 June 2024, there are 19 Starbucks Reserve™ stores, including 3 Starbucks Reserve™ Drive Thru stores in Malaysia.

BStarbucks also operates the world's first Starbucks Signing Store, which promotes accessibility and offers employment and development for the Deaf community. In August 2023, BStarbucks opened its third Starbucks Signing Store in Borneo, located at Vivacity Megamall, Kuching - the fourth of its kind in the world.

On 16 February 2014, the first Starbucks store opened in Mabohai Shopping Complex in Brunei. The store features a traditional coffee bar, also known as an "Experience Bar" to allow customers to savor their favourite Starbucks coffees using the pour-over brewing method. On 7 September 2014, the first drive-thru concept store was opened in Beribi. As at 30 June 2024, there are 4 Starbucks stores in Brunei.

### PARIS BAGUETTE

Paris Baguette, a well-known global bakery chain, launched its first flagship store in Malaysia at Pavilion Kuala Lumpur on 18 January 2023. The brand introduced its unique fusion of French-inspired South Korean pastries, breads, and baked goods with a modern twist. In Malaysia, Paris Baguette operates through a joint venture managed by BPBM. As at 30 June 2024, the brand has expanded to 5 stores across the central and northern regions.

On 18 April 2024, BFood set up the first Paris Baguette store in the iconic SM Mall of Asia, Pasay City, marking the debut in the Philippines. The store offers a diverse range of products, including Philippines-exclusive items, reflecting the Company's commitment to innovation and local flavours, giving customers a unique and varied taste experience.

### KENNY ROGERS ROASTERS ("KRR")

BFood's holding company, Berjaya Group Berhad ("BGroup") effectively holds the worldwide KRR franchise following BGroup's acquisition of KRR International Corp, USA in April 2008. As at 30 June 2024, there are a total of 70 KRR restaurants across Malaysia.

KRR stays true to its philosophy of serving up wholesome, hearty meals in its menu offerings. Its rotisserie-roasted chicken is complemented by a variety of hot and cold sides, delectable homemade muffins, salads, pastas, soup, desserts and an effervescent array of creative beverages - all served in a friendly and comfortable environment. All KRR restaurants serve their customers in a full-service, mid-casual dining setting providing customers with a wholesome dining experience.

# Corporate Information

## BOARD OF DIRECTORS

**Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah**

Chairman/Independent  
Non-Executive Director

**Dato' Sydney Lawrance Quays**  
Director and Group Chief Executive  
Officer

**Chryseis Tan Sheik Ling**  
**Dato' (Dr) Mustapha Bin Abd Hamid**  
**Tan Thiam Chai**  
Non-Independent Non-Executive  
Directors

**Datin Chee Yoke Kuan**  
**Wan Nor Aida Binti Wan Azmi**  
Independent Non-Executive  
Directors

## AUDIT AND RISK MANAGEMENT COMMITTEE

**Datin Chee Yoke Kuan**  
Chairman  
**Wan Nor Aida Binti Wan Azmi**  
**Tan Thiam Chai**

## NOMINATION COMMITTEE

**Datin Chee Yoke Kuan**  
Chairman  
**Wan Nor Aida Binti Wan Azmi**  
**Tan Thiam Chai**

## REMUNERATION COMMITTEE

**Wan Nor Aida Binti Wan Azmi**  
Chairman  
**Datin Chee Yoke Kuan**  
**Tan Thiam Chai**

## SUSTAINABILITY COMMITTEE

**Datin Chee Yoke Kuan**  
Chairman  
**Dato' Sydney Lawrance Quays**  
**Dato' (Dr) Mustapha Bin Abd Hamid**  
**Tan Thiam Chai**

## COMPANY SECRETARIES

**Tham Lai Heng Michelle**  
(SSM Practising Certificate No.  
202008001622)  
(MAICSA No. 7013702)

**Wong Siew Guek**  
(SSM Practising Certificate No.  
202008001490)  
(MAICSA No. 7042922)

**Wong Poo Tyng**  
(SSM Practising Certificate No.  
202008001580)  
(MAICSA No. 7056052)

## SHARE REGISTRAR

Berjaya Registration Services Sdn Bhd  
[Registration No. 199401008064  
(293743-X)]  
09-27, Level 9  
Berjaya Times Square  
No. 1, Jalan Imbi  
55100 Kuala Lumpur  
Tel : 03-2145 0533  
Fax : 03-2145 9702  
Email : [shareg@berjayareg.com.my](mailto:shareg@berjayareg.com.my)

## AUDITORS

Ernst & Young PLT  
202006000003  
(LLP0022760-LCA) & 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  
Email : [cosec@berjaya.com.my](mailto:cosec@berjaya.com.my)



## PRINCIPAL BANKERS

AmBank (M) Berhad  
Malayan Banking Berhad

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia  
Securities Berhad

## STOCK SECTOR

Consumer Products & Services

## STOCK NAME

BJFOOD

## STOCK CODE

5196

## PLACE OF INCORPORATION AND DOMICILE

Malaysia

## WEBSITE ADDRESS

[www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/)

## Profile of Directors



**Duli Yang Amat Mulia  
Tunku Shazuddin Ariff  
Ibni Al Aminul Karim  
Sultan Sallehuddin,  
Tunku Mahkota Kedah**

Chairman/Independent  
Non-Executive Director



Malaysian



54



Male

He was appointed as the Chairman and Independent Non-Executive Director of Berjaya Food Berhad on 4 December 2017. He was previously on various board committees including the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee from 11 August 2020 to 10 February 2022 and Employees' Share Scheme Committee from 4 December 2017 to 14 August 2023.

He is the Pro-Chancellor of Universiti Utara Malaysia since 2018. Apart from his ceremonial role as Pro-Chancellor, he also contributes to the university's greater achievements in the area of art & design and has been instrumental in developing Batik Kedah fabrics for commercialisation.

He is also known for his active participation in charitable activities, particularly in the state of Kedah. He currently sits on the Board of Trustees of Tabung Amanah Sultan Kedah (TASK), a charitable organisation aimed at alleviating the burden of the needy. Furthermore, he is in the process of setting up a national sports fund in Kedah, which will focus on the development of sports in young athletes below the age of 21.

He also holds the position of Managing Director in Seri Libana Sdn Bhd, a company that specialises in green energy projects. Through this platform, he has been developing green energy projects and various forms of environmental sustainability programs in the state of Kedah.



## Profile of Directors



**Dato' Sydney  
Lawrance Quays**

**Director and  
Group Chief Executive Officer**



Malaysian



56



Male

He was appointed to the Board on 12 January 2017 as an Executive Director. Subsequently, he was appointed as the Chief Executive Officer ("CEO") of the Company on 1 June 2017 and redesignated as the Group CEO on 15 November 2023. He is a member of the Sustainability Committee.

He graduated with honours from the American Hotel and Lodging Association, United States of America majoring in Hospitality Management and Marketing in 1988. He started his career in the hotel industry, moving through different divisions and subsequently joined the quick service restaurant industry, working for McDonald's Malaysia as a trainee manager in 1989.

He was a pioneer of Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks"), holding the position of Marketing and Merchandise Manager when he joined in 1998. Subsequently, he was appointed as Managing Director of BStarbucks on 31 October 2012 and Berjaya Food Supreme Sdn Bhd ("BFood Supreme") on 24 September 2013. In 2017, Dato' Sydney emerged as the year's only "Eminent Leaders in Asia" category winner at the Asia Corporate Excellence & Sustainability Awards (ACES) held in Singapore. He has also been recognised by the Asia Pacific Enterprise Award (APEA) as Outstanding Entrepreneur in 2014 and 2016, and Master Entrepreneur in 2022 and 2023.

Currently, he is overseeing the day-to-day operational decisions for BStarbucks, Berjaya Roasters (M) Sdn Bhd ("BRoasters") and BFood Supreme. He is also responsible for developing the business strategies and directions for business growth and new market expansion as well as preparing and implementing comprehensive business and marketing plans, bringing new and innovative ideas to build sales and elevate brand status. In addition, he is also responsible for the financial performance, profitability and future prospects of the business.

He is the Managing Director of Bestari Food Trading Sdn Bhd (formerly known as Berjaya Food Trading Sdn Bhd) ("BFT") and is responsible for the growth of BFood Trading, which operates the fast-moving consumer goods ("FMCG") business, overseeing the expansion of the FMCG business into different channels and other retail sections as well as new products implementation.

He is the Chairman and Director of Berjaya Kelava Sdn Bhd, Berjaya Paris Baguette Philippines Inc., Berjaya Coffee Finland Oy and Berjaya Coffee Iceland ehf. Additionally, he is also the CEO of Berjaya Nordic (Denmark) ApS and Berjaya Coffee Nordic ApS, while also serving as a Director of BRoasters, Berjaya Jollibean (M) Sdn Bhd, Berjaya Food (International) Sdn Bhd and Berjaya Paris Baguette Sdn Bhd.

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

## Profile of Directors



**Chryseis  
Tan Sheik Ling**

**Non-Independent  
Non-Executive Director**



Malaysian



35



Female

She was appointed to the Board on 15 March 2018 as a Non-Independent Non-Executive Director.

She graduated with a Bachelor of Arts in Liberal International Studies from Waseda University, Tokyo in 2012. She also did an exchange programme in Accounting and Finance in London School of Economics, United Kingdom for a year in 2010.

Currently, Ms Chryseis Tan is a Director and Chairman of Natural Avenue Sdn Bhd ("NASB"), a subsidiary of Berjaya Assets Berhad since 1 August 2014. NASB is the exclusive agent for Sarawak Turf Club's Special Cash Sweep Number Forecast Lotteries in Sarawak.

Presently, Ms Chryseis Tan is an Executive Director of Berjaya Assets Berhad, Berjaya Land Berhad and Berjaya Corporation Berhad. She is also the Chief Executive Officer of Cosway (M) Sdn Bhd and the Head of Marketing for Four Seasons Hotel and Residences, Kyoto, Japan, a hotel and residences development project undertaken by Berjaya Kyoto Development (S) Pte Ltd, a subsidiary company of Berjaya Corporation Berhad. She also holds directorships in several other private limited companies in the Berjaya Corporation group of companies.

Profile of Directors



Tan Thiam Chai

Non-Independent  
Non-Executive Director



Malaysian



65



Male

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, Audit and Risk Management Committee, Remuneration Committee and Sustainability Committee.

He graduated with a Diploma in Commerce (Financial Accounting) from Kolej Tunku Abdul Rahman (now known as Tunku Abdul Rahman University of Management and Technology) 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 (MIA).

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 Berjaya 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.

He was previously appointed as the Chief Financial Officer of Berjaya Corporation Berhad ("BCorp") on 18 July 2008 until his retirement on 31 December 2018 and he is currently the Financial Adviser of BCorp. He is also a Director of Atlán Holdings Bhd, Indah Corporation Berhad, Cosway Corporation Berhad, Berjaya Vacation Club Berhad, Tioman Island Resort Berhad, Berjaya Starbucks Coffee Company Sdn Bhd, Berjaya Japan Developments Berhad and Cosway Corporation Limited (Hong Kong).

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



## Profile of Directors



**Dato' (Dr) Mustapha  
Bin Abd Hamid**

Non-Independent  
Non-Executive Director



Malaysian



71



Male

He was appointed to the Board on 20 May 2010 as an Independent Non-Executive Director of the Company and was subsequently re-designated as a Non-Independent Non-Executive Director of the Company on 1 June 2023. He is a member of the Sustainability 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 was appointed as Chancellor of Saito University College in April 2018 and at the same time was awarded an Honorary Doctorate in Education.

Currently, he is a Director of Acmar FHP Group Berhad and Lii Hen Industries Bhd. He also holds directorship positions in several other private limited companies.

## Profile of Directors



**Datin  
Chee Yoke Kuan**

**Independent  
Non-Executive Director**



Malaysian



51



Female

She was appointed to the Board on 31 May 2023 as an Independent Non-Executive Director. She is the Chairman of the Audit and Risk Management Committee, Nomination Committee and Sustainability Committee. She is also a member of the Remuneration Committee.

She completed her professional qualification with the Association of Chartered Certified Accountants (ACCA) in year 1996. Currently, she is a member of the Malaysian Institute of Accountants (MIA), ASEAN Chartered Professional Accountants (ACPA), and a fellow member of the Association of Chartered Certified Accountants (FCCA).

She began her career with one of the Big 5 accounting firms, serving in the auditing and assurance sector for more than 10 years from March 1997 to August 2007. Thereafter, she served as the Technical Director of the MIA from October 2007 to September 2011. During her tenure with MIA, she had provided leadership to technical department of the Institute, responsible for the set up of a formal Standard-Setting Board for Audit and Assurance and Ethics of the Institute as well as the Financial Reporting Standards Implementation Committee. She was also the Technical Advisor to the members of the International Federation of Accountants (IFAC)'s Developing Nations and Small-and-Medium Practices. Subsequently, she joined the ACCA from 2012 to 2023 and had held various senior positions as Head of Education, ASEAN/Asia Pacific, Regional Consultant, ASEAN & ANZ and Education Relationships Lead. During her 12 years services, she was responsible to oversee strategies and growth of operations with leadership team in areas such as evaluation of financials, monitoring and risk assessment and develop solution focusing on financial sustainability, driving customer satisfaction and process improvement. She has also participated in World Bank funded capacity building projects in Vietnam to support convergence of IFRS and Laos on advisory for the establishment of an effective structure of a professional accountancy organisation.

## Profile of Directors



**Wan Nor Aida  
Binti Wan Azmi**

**Independent  
Non-Executive Director**



Malaysian



39



Female

She was appointed to the Board on 8 June 2023 as an Independent Non-Executive Director. She is the Chairman of the Remuneration Committee. She is also a member of the Audit and Risk Management Committee and Nomination Committee.

She is a Fellow member of the Association of Chartered Certified Accountants (FCCA, UK). She started her career with a major international accounting firm, Messrs PricewaterhouseCoopers in 2006 as a Senior Associate in audit, specialising in the consumer services industry. Subsequently, she joined Messrs PricewaterhouseCoopers South East Asia Consulting where she led various business transformation and advisory projects. She left the firm as an Associate Director in 2014. From 2014 to 2016, she served as an Expert Consultant with several United Nations agencies based in Malaysia and Bonn, Germany and had demonstrated senior experience in their finance transformation programmes. She then joined Teach For Malaysia as the Director of Growth, Strategy & Operations from 2016 to 2019 and was responsible for providing overall leadership in areas such as Strategy, Finance and Talent/Human Resource. From 2019 to 2021, she was engaged by Arthur D. Little (Middle East) as a Finance Expert Advisor for its consulting services in Saudi Arabia and subsequently joined Messrs Ernst & Young (Middle East) as a Director for Business Consulting based in Bahrain/Saudi Arabia. During the second half of 2021, she was engaged as an Expert Consultant to United Nations Economic Commission for Africa based in Ethiopia and led a critical strategic initiative and operational efficiency agenda of the United Nations in the African region. Currently, she is the Joint Managing Director & Partner of PEMANDU Associates and focuses on driving transformation programmes for developing nations and leading the firm's expansion in the African, Middle East and Asian regions.

She also holds directorship in other private limited company.

**Save as disclosed, none of the Directors have:-**

1. any family relationship with any directors and/or major shareholders of the Company;
2. any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and/or its subsidiaries;
3. any conviction for offences within the past 5 years other than traffic offences; and
4. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



# Key Senior Management

The key senior management team is headed by Dato' Sydney Lawrance Quays. He is assisted by the following senior management team:

**Dato' Sydney Lawrance Quays**  
Group Chief Executive Officer  
• Berjaya Food Berhad



**Chin Wan Ching (Louise)**  
Chief Financial Officer  
• Berjaya Food Berhad



**Soh Siew Wan (Erica)**  
Director of Real Estate  
• Berjaya Food Berhad  
• Berjaya Starbucks Coffee Company Sdn Bhd



**How Seng Huat (Andy)**  
General Manager  
• Berjaya Roasters (M) Sdn Bhd



**Chuah Pak Nee (Suanne)**  
General Manager  
• Berjaya Paris Baguette Sdn Bhd



**Steven Anthony Soosay**  
Director of Operations  
• Berjaya Starbucks Coffee Company Sdn Bhd



**Zakiah Hanim Binti Md Zaki**  
Director of Marketing & Category  
• Berjaya Starbucks Coffee Company Sdn Bhd



**Luis Daniel**  
Senior General Manager  
• Berjaya Jollibean (M) Sdn Bhd  
Director/President  
• Paris Baguette Philippines



## Key Senior Management

### Chin Wan Ching (Louise)

#### Chief Financial Officer

- Berjaya Food Berhad



Malaysian



54



Female

Louise is a seasoned Finance Executive with over 20 years of extensive experience in Accounting and Finance across various service sectors. Her career began as a Financial Analyst at Starbucks Malaysia on 1 December 2008. Her exceptional performance and leadership skills culminated in her promotion to Chief Financial Officer of Berjaya Food Berhad on 12 November 2020.

She played a pivotal role in the expansion of Starbucks into Brunei with Berjaya Food Supreme Sdn Bhd and was instrumental in establishing Bestari Food Trading Sdn Bhd (formerly known as Berjaya Food Trading Sdn Bhd) and Berjaya Paris Baguette Sdn Bhd in Malaysia. In her current position, she spearheads the Finance and Account Department and the Quality Assurance (QA) Department across Berjaya Starbucks Coffee Company Sdn Bhd, Berjaya Food Supreme Sdn Bhd, Bestari Food Trading Sdn Bhd, and Berjaya Paris Baguette Sdn Bhd.

Louise earned her professional accounting qualification from the Association of Chartered Certified Accountants (ACCA) in 1995 and has been a respected member of the Malaysian Institute of Accountants (MIA) since 2000. Her deep expertise and strategic vision continue to drive financial excellence and operational success within the Group.

### Soh Siew Wan (Erica)

#### Director of Real Estate

- Berjaya Food Berhad
- Berjaya Starbucks Coffee Company Sdn Bhd



Malaysian



48



Female

Erica brings a wealth of experience to her role as Director of Real Estate at Berjaya Food Berhad, having spent 14 years in the Food and Beverage industry and an additional 6 years specialising in Retail Planning and Leasing within the Shopping Mall sector. Her expertise in Real Estate Asset Management at McDonald's Malaysia was recognised with the prestigious President's Award from McDonald's in Chicago, USA, an honour reserved for the top 1% of employees worldwide.

Since joining Berjaya Food Berhad on 5 April 2021, Erica has been instrumental in driving strategic growth of Starbucks in Malaysia and Brunei. Her role involves leading the rapid expansion of Starbucks Drive-Thru store formats while managing the development of other brands under the Berjaya Food Berhad umbrella.

She holds a Degree in Advertising and Marketing from Limkokwing University of Creative Technology and remains passionate about the retail industry, continuously leveraging her background to fuel innovative store growth strategies.

### How Seng Huat (Andy)

#### General Manager

- Berjaya Roasters (M) Sdn Bhd



Malaysian



53



Male

Andy brings over 20 years of extensive experience in the Food and Beverage industry. His career with Starbucks began in 2000 as a Store Manager, where he then quickly advanced to the role of Senior Store Development Manager. His significant contributions include mobilising the expansion of Starbucks stores, particularly the Drive-Thru and Reserve™ concept stores.

His strong leadership and keen business insights led to his appointment as Director of Operations and Restaurant Development at Berjaya Roasters (M) Sdn Bhd in 2018. On 1 October 2022, he was promoted to General Manager, where he now oversees the daily operations of Kenny Rogers ROASTERS across Malaysia.

Andy is a graduate of McDonald's Hamburger University, Illinois, USA. He remains at the forefront of industry trends by actively participating in international conferences and workshops. His commitment to excellence and continuous learning underscores his role as a dynamic leader in the food service sector.

## Key Senior Management

### Steven Anthony Soosay

#### Director of Operations

- Berjaya Starbucks Coffee Company Sdn Bhd



Malaysian



44



Male

Steven embarked on his journey with Starbucks Malaysia in 1999 as a part-time barista. Over the years, he has become an integral force in shaping the operational growth and development of Starbucks stores throughout Malaysia. His passion and dedication to Starbucks employees ("partners") and their development have assisted in setting a high standard for operational excellence and consistency in delivering the iconic Starbucks Experience.

In 2003, Steven's leadership as a Store Manager earned him the Manager of the Year award. His career advanced in 2006 when he was promoted to District Manager. Steven expertise later led him to senior roles in key departments, including the Compliance and Quality Assurance, Employee and Asset Protection Department, and IT.

In 2019, he was promoted to Director of Operations in 2019, overseeing the operations of Starbucks stores across Malaysia and Brunei. As a vital member of the Senior Leadership Team and the Executive Committee, Steven plays a crucial role in strategic initiatives and operational success.

Steven holds a Bachelor's Degree in Business Information Systems, a testament to his strong foundation in both business and technology.

### Chuah Pak Nee (Suanne)

#### General Manager

- Berjaya Paris Baguette Sdn Bhd



Malaysian



51



Female

Suanne holds 27 years of experience in the Hospitality and F&B Retail Operation industries at the core management level. She received her qualifications from the Domino Carlton Tivoli Hospitality Management School, Switzerland.

She joined Berjaya Paris Baguette Sdn Bhd as General Manager in year 2022 to set up the operations of the Company.

Prior to Paris Baguette Malaysia, she spent 2 years working as General Manager, managing Delifrance Singapore and Maxx Coffee Singapore under OUE Group.

Suanne was attached with Berjaya Group for 5 years as Assistant General Manager to manage several brands such as Berjaya Krispy Kreme Doughnuts Sdn Bhd and Jollibean Foods Pte Ltd. Before joining Berjaya Food Berhad, she was the Country Manager at San Francisco Coffee which she joined since its inception in 1997 and spent 13 years developing the network not only in Malaysia but also Singapore, the Philippines, Hong Kong and Japan.

### Zakiah Hanim Binti Md Zaki

#### Director of Marketing & Category

- Berjaya Starbucks Coffee Company Sdn Bhd



Malaysian



46



Female

Zakiah has been a cornerstone of Starbucks since she began her journey with the Company in 2004, progressing from part-time barista to her current role as Director of Marketing and Category. In this capacity, she spearheads marketing strategies and drives product innovations, seamlessly integrating critical functions such as Marketing, Loyalty & eComms, Category, Creative (Graphic Design), and Public Relations & Communications.

With expansive experience in the Category Department, she has successfully launched profitable new product innovations across beverages, food offerings, and merchandise across Starbucks Malaysia and Brunei. Her career reached a significant milestone in 2018 when she orchestrated Starbucks Malaysia's first local designer collaboration, a historical initiative that paved the way to a series of successful partnerships with renowned local designers and brands, giving them the global recognition through Starbucks.

Zakiah earned her Executive Diploma in Engineering Business Management from University of Technology Malaysia, showcasing her adeptness at merging technical knowledge with strategic business insights.



## Key Senior Management

### Luis Daniel

#### Senior General Manager

• Berjaya Jollibean (M) Sdn Bhd

#### Director/President

• Berjaya Paris Baguette  
Philippines Inc



Malaysian



60



Male

Luis Daniel boasts a distinguished career spanning over 40 years in the Quick Service Restaurant (QSR) sector, with pivotal roles at renowned brands such as McDonald's, Pizza Hut, and Kenny Rogers ROASTERS.

Luis embarked on his journey with Berjaya Roasters (M) Sdn Bhd in 1994 as a Restaurant Manager, where he was one of the pioneering team members in establishing Kenny Rogers ROASTERS in Malaysia. His impact was later recognised when he was promoted as General Manager at Roasters Asia Pacific (M) Sdn Bhd, playing a crucial role in shaping the global growth of the Kenny Rogers ROASTERS brand.

In 2019, Luis took on the role of Director at Berjaya Jollibean (M) Sdn Bhd, where he has continued to influence and drive the Company's success. Recently, he is appointed as the President of Berjaya Paris Baguette Philippines Inc and he has taken the lead to set up and the launch of Paris Baguette in the Philippines, overseeing its operations and strategic growth.

Luis's professional development is underpinned by comprehensive management training and qualifications acquired through his roles at McDonald's, Pizza Hut, and Kenny Rogers ROASTERS, showcasing his commitment to excellence and leadership in the QSR industry.

#### **Save as disclosed, none of the Key Senior Management have:-**

1. any directorship in public companies and listed issuers;
2. any family relationship with any Directors and/or major shareholders of the Company;
3. any conflict of interest or potential conflict of interest, including interest in any competing business with the Company and/or its subsidiaries;
4. any conviction for offences within the past 5 years other than traffic offences; and
5. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



# Chairman's Statement



Duli Yang Amat Mulia Tunku  
Shazuddin Ariff Ibni Al Aminul  
Karim Sultan Sallehuddin, Tunku  
Mahkota Kedah

## Dear Shareholders,

This past year has been very challenging for the Company and its subsidiaries and we acknowledge this. But despite the current difficult circumstances, I'm certain the new strategies put together by the board and the management team will improve our position in the near future. On behalf of the board, I am pleased to present the Annual Report and financial statements for the financial year ended 30 June 2024.

### Financial Results

BFood achieved a revenue of RM750.70 million for this financial year, alongside a pre-tax loss of RM89.06 million. While these figures reflect a decrease compared to the revenue and pre-tax profit of RM1.12 billion and RM148.73 million from the previous year, they are largely due to external factors. The temporary challenges were primarily related to the global sentiment surrounding the Middle East conflict and a one-time loss from the sale of our equity in Jollibean Foods Pte Ltd. Despite these hurdles, the Group remains resilient and focused on turning these setbacks into future opportunities.

### Dividend

Given the unique circumstances of the past year, BFood has paid 0.44 sen single-tier dividend per share for the financial year ended 30 June 2024 in contrast to 3.50 sen single-tier dividend per share for the preceding financial year ended 30 June 2023. Rest assured, we remain committed to delivering value to our shareholders as we work towards sustainable growth in the coming years.

### Future Prospects

The outlook for the future remains positive. According to the International Monetary Fund (IMF), the Malaysian economy is projected to rebound in 2024 with a projected 1.0% growth. This optimistic outlook is driven by stronger private expenditure and a positive turnaround in exports. The Malaysian economy is improving with resilience amid divergence due to the government's sound policies and economic management in relation to taxation as well as control of money supply and interest rates.

The economy is also gradually growing because of broad-based expansion across industries and good labour market conditions. This accelerating mobility is expected to elevate the purchasing power of the communities. This implies that Malaysian consumers and businesses are positive about the country's economic prospects, which has led to an increase in individual spending and business investment, thereby fostering economic growth. To tap into and capture this growth segment, the Group will continue to offer high quality products and services.

## Chairman's Statement

Despite the challenging global economic environment, the Directors are cautiously assured that the Operating companies will make robust development in the upcoming financial year. By focusing on strategic adjustments and operational enhancements, the Group is well-positioned to strengthen its position, improve its financial performance and emerge stronger.

To align with the Company's dedication to spread the F&B experiences on a global scale, Berjaya Food (International) Sdn Bhd ("BFI"), the international arm under BFood is proud to have expanded into the Nordic market by successfully earning the rights to operate in 3 countries, which includes Iceland, Denmark, and Finland.

Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks") unveiled its recent campaign to collaborate with talented Malaysian artists, including Deaf and Autistic artists, and creative art students. The company introduced a series of life-sized Bearista that were crafted

with passion and purpose by the artists. BStarbucks also launched a range of Mini-Bearista collectibles, reflecting the life-sized designs and sold at all Starbucks stores. This allows our customers to participate in a meaningful campaign where part of the proceeds will be channelled to support charitable causes, further strengthening our commitment to give back to society.

The Company remains committed in terms of maintaining the highest standards of quality in our ingredients, service and sustainability efforts. By staying true to these values, we have been able to build trust and loyalty among our customers. Simultaneously, BFood also strives to maximise the effectiveness of our operations by reducing production costs while concurrently enhancing operational efficiencies to ensure the long-term success of the Group.

### Note of Appreciation

On behalf of the Board, I would like to take this opportunity to thank our leaders and employees across all brands, including Starbucks,

Kenny Rogers ROASTERS, SALA, KELAVA, Paris Baguette, and other brands, for their unwavering efforts during this demanding period. Your perseverance has been key to our success, and together, we continue to deliver outstanding service to our customers.

I would also like to express my deepest appreciation and gratitude to our customers, business partners, and valued shareholders for their continued support and confidence towards the Group.

Lastly, I would like to thank my fellow colleagues on the Board for your active participation and invaluable insights throughout the year. Your steadfast commitment has been instrumental in driving our company forward.

Thank you.

**Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah**  
Chairman





# Management Discussion & Analysis



**STARBUCKS®**

**Total: 408 stores**

**Store Location by Region**

**East Coast: 21**

Pahang: 16  
Kelantan: 3  
Terengganu: 2

**East Malaysia: 31**

Labuan: 1  
Sabah: 15  
Sarawak: 15

**Southern: 59**

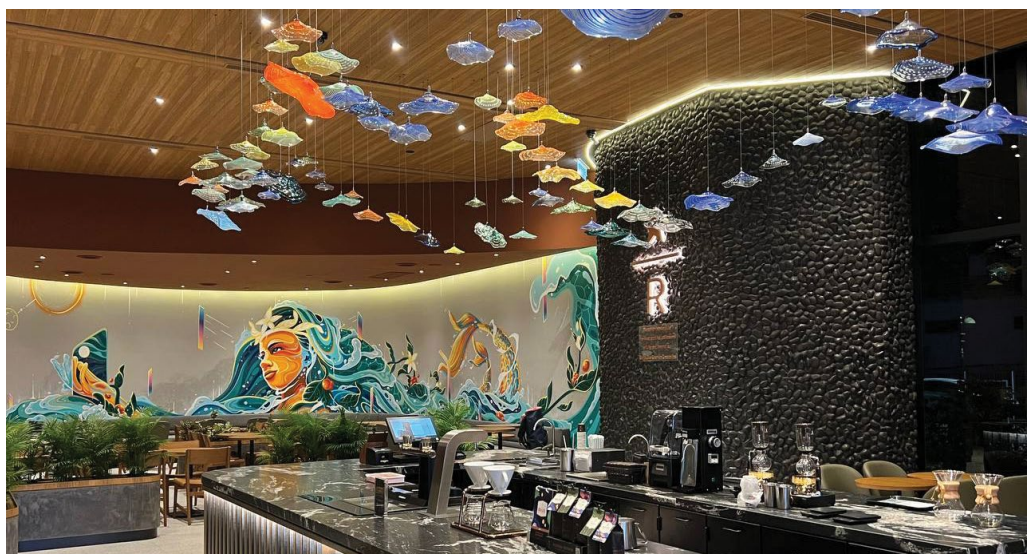
Johor: 42  
Melaka: 11  
Negeri Sembilan: 6

**Northern: 70**

Penang: 39  
Kedah: 13  
Perak: 17  
Perlis: 1

**Central: 227**

Kuala Lumpur: 103  
Selangor: 117  
Putrajaya: 7



400<sup>th</sup> store - Starbucks Reserve™ Island Glades.

## BERJAYA STARBUCKS COFFEE COMPANY SDN BHD

### Overview

Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks") is a wholly-owned subsidiary of Berjaya Food Berhad ("BFood"). BStarbucks is committed to being more than just a coffee company. BStarbucks has built its business around fostering human connections, engaging with local communities, and celebrating diverse cultures.

As of 30 June 2024, BStarbucks operates 408 stores across Malaysia, providing a welcoming space for customers to connect, share, and enjoy quality coffee.

The commitment to corporate social responsibility (CSR) has been a central pillar of BStarbucks' operations since its inception in Malaysia. BStarbucks employees ("partners") collaborates with various local organisations and non-governmental organisations (NGOs) to give back to communities through initiatives focused on education and environmental sustainability. Notable efforts include the internationally

recognised establishment of Malaysia's first Signing store, which is operated by Deaf partners, the introduction of eco-friendly products like the Starbucks Upcycled Flavorlock™ pouch and sustainable serveware, aimed at reducing waste and minimising the carbon footprint. Through these sustainability initiatives, BStarbucks integrates CSR into its operations and products, striving to balance profitability with sustainability.

In line with the dedication on community support to both local and global communities, BStarbucks contributed RM1 million to Akaun Amanah Kemanusiaan Rakyat Palestin (AAKRP), supporting humanitarian efforts as part of a national initiative led by the Malaysian Government.

Additionally, acknowledging that BStarbucks employees ("partners") are its most valuable asset, the Company implemented a five-day workweek for operational staff starting at the beginning of the financial year. BStarbucks has also restructured roles within the organisation by introducing new positions, to better support long-term

## Management Discussion & Analysis

business growth while promoting both personal and professional development for its employees ("partners").

### Revenue

In the financial year 2024, BStarbucks registered a revenue of RM676.0 million compared to RM1.0 billion in the previous financial year. The decline in revenue was primarily attributed to the negative impact of the ongoing conflict in the Middle East on consumer sentiment. In response, the management has implemented several targeted promotional activities aimed at mitigating the revenue decline.

### Loss Before Tax

BStarbucks recorded a loss before tax of RM45.1 million compared to profit before tax of RM165.6 million in the previous financial year. The decline in profitability was primarily driven by revenue deleveraging, reinvestments in employees ("partners"), and heightened promotional activities. However, these financial pressures were partially offset by strategic cost-saving measures and improvements in supply chain management.

### Future Prospects

Looking ahead to the financial year 2025, BStarbucks aims to open 3 to 5 Drive-Thru concept stores in strategically locations. The Company is cautious and selective in its choice of locations for new store openings.

BStarbucks constantly launches new and appealing products, including innovative collectible merchandise developed in collaboration with both local and international designers to excite the market. The Company will also roll out engaging marketing

programmes designed to enhance the customer experience through service excellence and showcase product innovations.

As a leader in the coffee industry, BStarbucks is excited to introduce the Extract Chilling Technology that is available at selected Starbucks Reserve™ stores. This new offering marks a significant step forward in BStarbucks' commitment to deliver an exceptional coffee experience to customers. In addition, the Company will continue promoting coffee culture by organising coffee seminars and sensory cupping sessions and participating in both local and international coffee competitions to boost brand recognition.

Leveraging the digital space, BStarbucks will enhance its loyalty programme – Starbucks Mobile Application with exclusive deals and tiered rewards aimed at driving sales, boosting member acquisition, and deepening customer engagement. The Company will also strengthen its digital presence by launching on e-commerce platforms like Lazada, TikTok, and Shopee to extend its customer reach, as well as localise advertising content via digital communication in order to improve customer engagement.

BStarbucks remains dedicated to fostering positive relationships with local communities, creating long-term value for both the Company and its shareholders. Initiatives of the "Brewing Art for Good: The Bearista Project", which brings together a diverse group of Malaysian artists, including Deaf and Autistic artists as well as art students, reflect the Company's commitment to diversity, equity, and inclusion (DEI) while supporting local talent. A portion of the sales from this initiative will be

donated to the Gaza humanitarian fund, championed by MERCY Malaysia. The Company will continue partnerships with NGOs to provide community service, food aid, and food rescue programmes. In addition, BStarbucks will further its inclusive retail model by opening another Signing Store in Johor, empowering the Deaf community and demonstrating leadership in accessible retail. The Company will continue to incentivise eco-conscious customers by offering rewards for bringing their own tumblers, promoting a shared vision for environmental sustainability.

Moving forward, BStarbucks remains committed to driving positive change in both its operations and community engagements. Through continuous reinvestment in employee ("partner") benefits and training, the Company aims to enhance business optimisation and operational productivity, laying the groundwork for long-term growth. Lastly, the Company will continuously focus on cost mitigation and optimisation to enhance financial performance and business sustainability.



*BStarbucks is the first Starbucks to introduce the Extract Chilling Technology, unlocking the boldest, richest coffee flavours with every sip.*

## Management Discussion & Analysis

### BERJAYA FOOD SUPREME SDN BHD

#### Overview

Berjaya Food Supreme Sdn Bhd ("BFS") was incorporated in Brunei in September 2013 and is an 80%-owned subsidiary of Berjaya Food (International) Sdn Bhd ("BFI"). BFS operates Starbucks coffee retail stores in Brunei, with its first store opening at the Mabohai Shopping Complex on 16 February 2014. As of 30 June 2024, BFS operates 4 Starbucks stores, including 1 drive-thru concept store.

#### Revenue

For the financial year ended 30 June 2024, BFS recorded revenue of BND1.7 million compared to BND3.0 million in the financial year ended 30 June 2023. This decline was primarily due to weakening consumer sentiment, which was impacted by the ongoing conflict in the Middle East, which negatively affected business performance.



*With every cup, with every conversation, with every community - we nurture the limitless possibilities of human connection.*

#### Loss Before Tax

BFS recorded a loss before tax of BND0.3 million for the financial year ended 30 June 2024, compared to a profit before tax of BND0.5 million in the previous year. This loss was largely attributed to the decline in sales, although cost optimisation measures were implemented to mitigate the financial challenges and reduce the impact of sales deleverage.

#### Future Prospects

Moving forward, BFS is focused on refining its operational and administrative processes to lower costs and enhance overall efficiency. The Company plans to revamp its food offerings, introduce innovative beverages, and expand its merchandise selection to drive revenue growth. These initiatives aim to solidify BFS's position as the leading coffee retail chain in Brunei, offering a premium Starbucks experience to customers.



## Management Discussion & Analysis

### BESTARI FOOD TRADING SDN BHD (FORMERLY KNOWN AS BERJAYA FOOD TRADING SDN BHD)

#### Overview

Bestari Food Trading Sdn Bhd (formerly known as Berjaya Food Trading Sdn Bhd) ("BFT") is a wholly-owned subsidiary of Berjaya Food Berhad ("BFood"). It was incorporated in Malaysia on 24 July 2013.

The Company is engaged in the distribution of premium Consumer Packaged Goods ("CPG"), such as Joybean's premium soy milk and Ready-To-Eat ("RTE") products, to key retailers across Malaysia, including Starbucks, Kenny Rogers ROASTERS, Paris Baguette, 7-Eleven, AEON, AEON BIG, Ben's Independent Grocer (B.I.G), BilaBila Mart, eMart24, Mercato, Maxvalu, The Food Merchant, Village Grocer, and others.

On 23 November 2023, BFT launched a new product from Vietnam, STAR Kombucha Ready-To-Drink ("RTD"), which is now available across multiple distribution channels. As of 30 June 2024, BFT had approximately 5,300 distribution outlets across Malaysia and Brunei.

#### Revenue

For the financial year ended 30 June 2024, BFT recorded revenue of RM4.6 million compared to RM8.7 million in the financial year 2023. This decline was primarily driven by the underperformance of premium beverage products and the discontinuation of Starbucks RTD products.



Joybean RTD series bottled soy milk with Original, Collagen, and Kurma flavours.

#### Loss Before Tax

For the financial year ended 30 June 2024, BFT incurred a loss of RM1.7 million compared to a loss before tax of RM0.5 million in the previous financial year. This increased loss was mainly attributed to rising operational costs, including inflationary product costs driven by macroeconomic factors and increased labour costs for market expansion.

#### Future Prospects

BFT will evaluate and realign its product portfolio to ensure it aligns with market demands and consumer preferences. The Company plans to expand the distribution of Joybean's house-brand across various channels, including hotels and local supermarkets. This strategic initiative is aimed to strengthen its market presence and visibility through consistent, targeted marketing efforts.

In order to remain competitive, BFT plans to align its offerings with current trends by partnering with regional brands. This collaboration will allow the Company to introduce functional products tailored to the mass market, diversifying both its product range and revenue streams.

Additionally, BFT acknowledges the importance of financial sustainability and will implement a comprehensive cost restructuring plan aimed at business turnaround.



Joybean offers an extensive range of RTE snacks that are available in a wide variety of flavours.



## Management Discussion & Analysis



*Kenny's Rotisserie-roasted set meal.*

### BERJAYA ROASTERS (M) SDN BHD

#### Overview

Berjaya Roasters (M) Sdn Bhd ("BRoasters") is a wholly-owned subsidiary of Berjaya Food Berhad ("BFood"), and the master franchisee of restaurant chain, Kenny Rogers ROASTERS ("KRR") in Malaysia. It offers a mid-casual dining setting with rotisserie-roasted chicken as its main menu item complemented by a rich variety of hot and cold side dishes. Other menu items include Kenny's famous homemade muffins, vegetable salads, pasta, soups, desserts and beverages served in a warm and welcoming environment.

KRR continues to innovate its offerings to engage loyal customers and attract new ones. In the financial year, KRR launched four major nationwide campaigns, including the movie-themed 'Nasi Kini Menjadi Wira' combo meals featuring local favourites such as Nasi Lemak and Chicken Rice. Limited Time Offer like Green Salsa Chicken, Oriental Paper Wrap Chicken, and the 'Kita-Payung' promotion, offering unlimited rice and drink refills during Ramadan, were also introduced. To diversify the menu, premium offerings like

Beef Steak Pie and Creamy Chicken Pie were added, along with a range of kid-friendly meals designed to appeal to young families. To boost sales during slower periods, various tactical promotions were carried out. BRoasters also pursued strategic partnerships with food aggregators, corporate partners, and eWallet providers, such as the Touch 'n Go 'GOrewards' loyalty programme and the eMADANI digital voucher initiative, driving traffic both online and into physical stores.

As of 30 June 2024, BRoasters operates 70 KRR restaurants, including 10 sub-franchisee outlets across Malaysia.

#### Revenue

For the financial year ended 30 June 2024, BRoasters recorded a revenue of RM55.7 million, a decrease of 19.7% compared to RM69.4 million in the previous financial year. The decline was primarily due to a decline in footfalls and weakened consumer sentiment, influenced by rising living costs and higher interest rates. Despite the challenging environment, BRoasters opened 2 new stores while closing 12 underperforming outlets during the year.

#### Loss Before Tax

BRoasters registered a loss before tax of RM15.8 million during the financial year ended 30 June 2024, compared to the loss before tax of RM4.7 million in the previous financial year. This increase of losses was attributed to sales deleverage, rising costs of raw materials and logistics, as well as impairment expenses related to 12 underperforming stores.

#### Future Prospects

BRoasters will implement strategic scale-back measures aimed at stabilising operations, enhance financial resilience, and carve a sustainable path forward. Key initiatives include streamlining processes, optimising costs and improving productivity will be implemented. The Company will prioritise on refining core menu items to improve supply chain efficiency. In response to rising living costs, BRoasters will introduce a range of affordable meal options to attract more customers and increase foot traffic. Additionally, robust social media marketing campaigns and online-to-offline collaborations will be executed to lay the groundwork for a stronger brand presence and deepening customer loyalty.

## Management Discussion & Analysis



*From classic Tex-Mex to Malaysian fusion, the diverse flavours of SALA's vegan tacos will excite anyone's taste buds.*

### SER VEGANO SDN BHD

#### Overview

Ser Vegano Sdn Bhd ("Ser Vegano") opened its first 100% vegan Tex-Mex restaurant, SALA, in 2017, located in Desa Sri Hartamas, Kuala Lumpur. The name SALA, meaning "living room" in Spanish, also stands for "Salvar a los Animales" or "Save All Living Animals", reflecting its commitment to animal welfare.

SALA's menu features 100% plant-based ingredients, offering dishes that are lower in calories and cholesterol while being rich in clean protein. The Company prides itself on using no animal products, ensuring its offerings are cruelty-free. In addition to Tex-Mex classics like burritos and tacos, SALA creatively reimagines local favourites, such as the iconic Malaysian *Nasi Lemak*, with a healthier, plant-based twist.

As at 30 June 2024, Ser Vegano has 5 stores in the central region.

#### Revenue

For the financial year ended 30 June 2024, Ser Vegano registered a lower revenue of RM1.6 million, a decrease from RM2.6 million in the previous financial year. The revenue decline was due to the closure of 2 stores during the financial year, coupled with reduced foot traffic and smaller average transaction sizes as consumers tightened their spending due to rising living costs and challenging economic conditions.

#### Loss Before Tax

For the financial year ended 30 June 2024, Ser Vegano incurred a loss before tax of RM1.1 million as compared to the RM2.1 million in the previous financial year. This reduction of pre-tax loss was primarily due to lower operating expenses and the reversal of impairment charges for 2 underperforming outlets recognised in the previous year.



*The iconic Nasi Lemak, made entirely plant-based.*



## Management Discussion & Analysis



*Rich and creamy plant-based handcrafted KELAVA ice cream.*

### BERJAYA KELAVA SDN BHD

#### Overview

KELAVA, a local vegan ice cream brand, was founded in 2017 with a mission to provide indulgent plant-based ice cream for all ice cream lovers.

The name 'KELAVA' is a blend of the Malay word *kelapa* (coconut) and 'love', symbolising the brand's passion for creating delicious, cruelty-free ice cream. Made exclusively from plant-based ingredients, Bkelava offers a rich, smooth treat for those seeking dairy-free options. The brand is known for introducing a range of locally inspired flavours, including Salted Gula Melaka, *Onde-Onde*, and Coffee Latte, making it a healthy, nutritious choice for all ages.

In promoting conscious consumption and making dairy-and-egg free options more accessible and desirable to everyone, Bkelava distributes its products primarily via the wholesale market, which include the modern

trade supermarkets and hotel-restaurant-cafe (HORECA) business segments.

As at 30 June 2024, Bkelava has approximately 50 distribution points throughout the central and west coast regions such as Klang Valley, Penang, and Johor.

#### Revenue

For the financial year ended 30 June 2024, Bkelava recorded a total revenue of RM0.4 million compared to the RM0.3 million recorded in the previous financial

year. This growth was driven by the proactive expansion of its fast-moving consumer goods ("FMCG") distribution points, along with contributions from its retail store.

#### Loss Before Tax

For the financial year ended 30 June 2024, Bkelava incurred a loss before tax of RM1.2 million compared to the loss before tax of RM0.9 million in the previous financial year. This increased loss was mainly due to higher operational costs and retail outlet expenses.



*Made with only the finest ingredients and are committed to ethical and sustainable practices.*

## Management Discussion & Analysis



Made from 100% Canadian soybeans.

### BERJAYA JOLLIBEAN (M) SDN BHD

#### Overview

Berjaya Jollibean (M) Sdn Bhd ("BJoybean") is a wholly-owned subsidiary of Berjaya Food (International) Sdn Bhd ("BFI"), committed to delivering fresh, soy-based beverages and local snacks under the Joybean brand. Since October 2022, BJoybean shifted its business model to a 'Production and Supply' concept, focusing on producing and supplying Joybean soy milk to small food and beverage outlets, convenience stores, and traditional *kopitiams* across Malaysia.

#### Revenue

For the financial year ended 30 June 2024, BJoybean registered a higher revenue of RM0.6 million, compared to RM0.4 million in the previous financial year. This growth was primarily driven by the expansion of distribution points, particularly through partnerships with 7CAFés and convenience stores nationwide, along with optimised production capacity and efficiency.

#### Loss Before Tax

BJoybean incurred a loss before tax of RM0.6 million during the financial year under review, slightly higher than the RM0.4 million loss in the previous year. The higher losses were mainly due to inter-company interest charges on advances from the holding company to support working capital.

#### Future Prospects

BJoybean is optimistic about improving business performance in the coming year. The Company plans to enhance brand visibility by

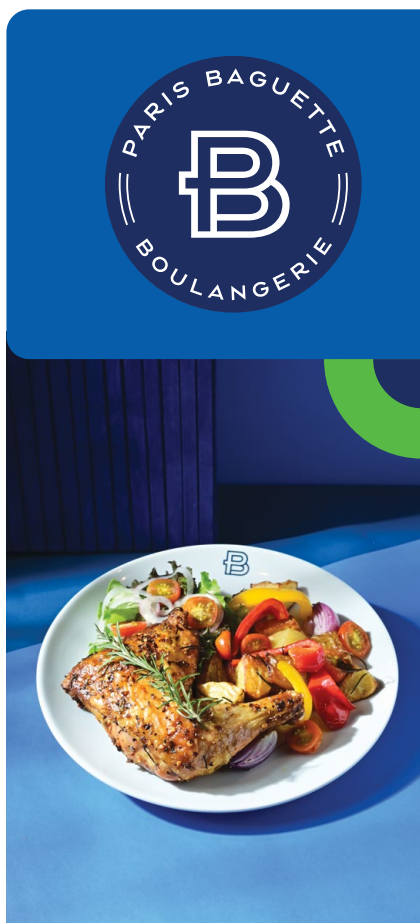
participating in events and expos, and forming new partnerships to expand its distribution channels. This includes further expanding supply to small-scale food and beverage chains, convenience stores, and *kopitiams*, as well as continuing its nationwide supply to 7CAFés. These initiatives align with BJoybean's growth strategy and will strengthen its market presence.



Freshly made Joybean soy pudding.



## Management Discussion & Analysis



*Berjaya Paris Baguette Philippines's all day breakfast menu.*

### BERJAYA PARIS BAGUETTE PHILIPPINES INC

#### Overview

Berjaya Paris Baguette Philippines Inc. ("BPBP") was incorporated on 11 September 2024 as a joint venture between Berjaya Food (International) Sdn Bhd ("BFI"), which manages a diverse portfolio of brands in Malaysia, and Middle Trade Inc. ("MTI"), the parent company of Epicurean Partners Exchange Inc., which operates multiple brands in the Philippines.

The Company proudly opened its first French-inspired bakery outlet in the Philippines on 18 April 2024, at the iconic SM Mall of Asia in Pasay City. The bakery offers a diverse menu featuring freshly baked bread, pastries, cakes, sandwiches, salads, and a wide selection of beverages, from coffee and tea to specialty drinks. Every product is crafted with premium ingredients, maintaining a commitment to authenticity and quality.

#### Revenue

For the financial year ended 30 June 2024, BPBP reported revenue of PHP25.4 million within 2.5 months of operation since its grand opening in 18 April 2024. This better-than-expected revenue performance was driven by proactive strategies to attract foot traffic and increase brand visibility, including collaborations with the mall for brand exposure, partnerships with food aggregators to extend customer reach, and introducing a diverse product mix.

#### Loss Before Tax

BPBP recorded a loss before tax of PHP32.4 million for the financial year ended 30 June 2024. This loss was primarily due to pre-operating expenses, such as media launch campaigns, training costs, and marketing efforts. Additional factors included high importation costs, logistics, and warehouse expenses, all of which were borne by a single store.

#### Future Prospects

Looking ahead to the financial year 2025, BPBP plans to open 3 strategically located stores. The Company will focus on leveraging

the insights gained over the past months to better understand consumer preferences and capitalise on opportunities for expanding the product mix. This includes localising offerings and introducing new French-inspired innovations that cater to local customer tastes. The Company is also committed to fostering a collaborative team environment to drive success.

To further increase brand exposure, BPBP will set up pop-up kiosks in malls where new stores are secured, creating brand awareness and customer engagement while showcasing its wide range of products to drive sales. The Company will also expand its hot meal offerings by introducing rice meal options in conjunction with the opening of new stores, strengthening its competitive position in the bakery market and catering to the growing demand for convenient meal options.

In addition, the primary goal for the upcoming financial year is to achieve profitability. To meet this objective, BPBP will implement business strategies aimed at optimising processes, including improving supply chain efficiency, enhancing inventory management, and controlling warehousing, logistics, and importation costs. By implementing these strategies, the Company aims to enhance operational efficiency and position itself for sustained growth in the competitive bakery industry. The Company will also invest in targeted marketing campaigns and strategic collaboration to extend customer reach and drive foot traffic to our new locations, ultimately supporting our growth objectives.

# Group Financial Summary

Description	2024 USD'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000	2020 RM'000
Revenue	159,121	750,702	1,115,966	997,762	717,337	632,939
(Loss)/Profit Before Tax	(18,878)	(89,062)	148,734	187,992	74,726	(8,479)
(Loss)/Profit After Tax	(18,533)	(87,437)	101,102	122,665	45,726	(20,086)
(Loss)/Profit Attributable To Shareholders	(19,272)	(90,922)	103,404	124,776	47,112	(19,582)
Share Capital	54,670	257,920	257,920	257,920	246,774	243,938
Reserves	45,271	213,581	320,537	275,157	170,184	131,158
<b>Equity Funds</b>	<b>99,941</b>	<b>471,501</b>	<b>578,457</b>	<b>533,077</b>	<b>416,958</b>	<b>375,096</b>
Treasury Shares	(16,446)	(77,587)	(85,328)	(45,437)	(41,388)	(42,145)
<b>Net Equity Funds</b>	<b>83,495</b>	<b>393,914</b>	<b>493,129</b>	<b>487,640</b>	<b>375,570</b>	<b>332,951</b>
Non-controlling Interests	(309)	(1,457)	(5,460)	(2,968)	(1,030)	357
<b>Total Equity</b>	<b>83,186</b>	<b>392,457</b>	<b>487,669</b>	<b>484,672</b>	<b>374,540</b>	<b>333,308</b>
Share Application Money	-	-	-	-	184	-
	<b>83,186</b>	<b>392,457</b>	<b>487,669</b>	<b>484,672</b>	<b>374,724</b>	<b>333,308</b>
Long Term Liabilities	83,392	393,428	454,303	445,764	407,265	430,524
Current Liabilities	133,424	629,470	504,171	407,898	395,663	465,280
<b>Total Equity and Liabilities</b>	<b>300,002</b>	<b>1,415,355</b>	<b>1,446,143</b>	<b>1,338,334</b>	<b>1,177,652</b>	<b>1,229,112</b>
Property, Plant & Equipment	67,160	316,851	332,121	293,433	269,017	286,046
Right-of-use Assets	84,040	396,487	425,077	381,093	325,717	351,615
Intangible Assets	97,147	458,320	467,293	459,723	458,149	458,257
Other Non-Current Assets	11,127	52,494	53,030	26,096	25,627	30,030
Current Assets	40,528	191,203	168,622	177,989	99,142	103,164
<b>Total Assets</b>	<b>300,002</b>	<b>1,415,355</b>	<b>1,446,143</b>	<b>1,338,334</b>	<b>1,177,652</b>	<b>1,229,112</b>
Net Assets Per Share (US\$/RM)#	0.05	0.22	0.28	0.27	0.21	0.19
Net (Loss)/Earnings Per Share (Cents/Sen)#	(1.10)	(5.15)	5.88	6.93	2.66	(1.10)
Dividend Per Share (Cents/Sen)#	0.09	0.44	3.50	1.10	0.60	0.40
Total Net Dividend Amount (USD'000/RM'000)	1,641	7,741	61,398	19,716	10,680	7,096

Notes:

Figures for 2020-2024 are 12 months ended 30 June.

The (loss)/earnings per share is calculated based on the weighted average number of shares with voting rights in issue.

# For illustration purposes, the figures for 2020 to 2022 have been adjusted for the Bonus Issue to reflect a fairer presentation.

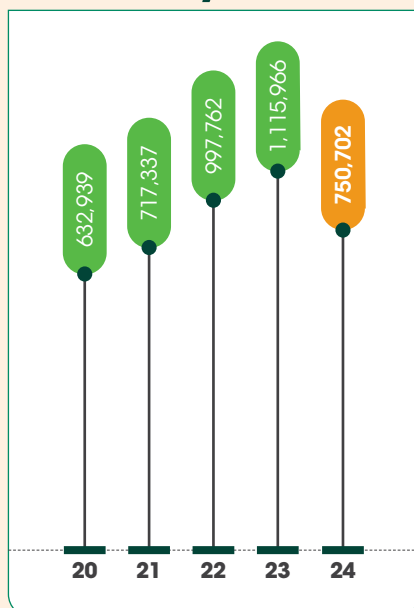
Exchange rate: US\$1.00=RM4.7178

# Group Financial Highlights



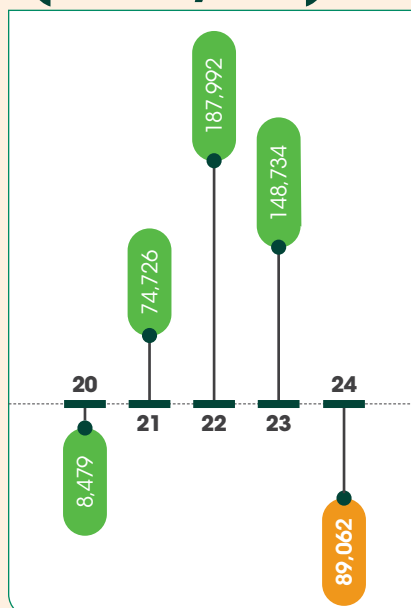
REVENUE (RM'000)

**RM750,702**



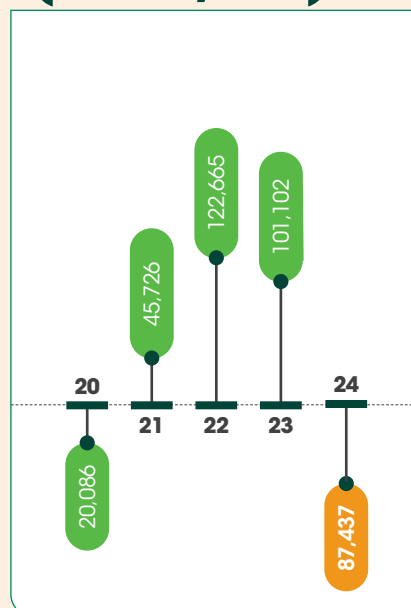
(Loss)/Profit Before Tax (RM'000)

**(RM89,062)**



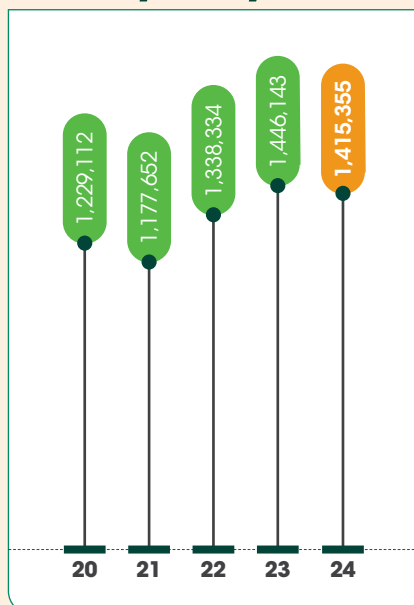
(Loss)/Profit After Tax (RM'000)

**(RM87,437)**



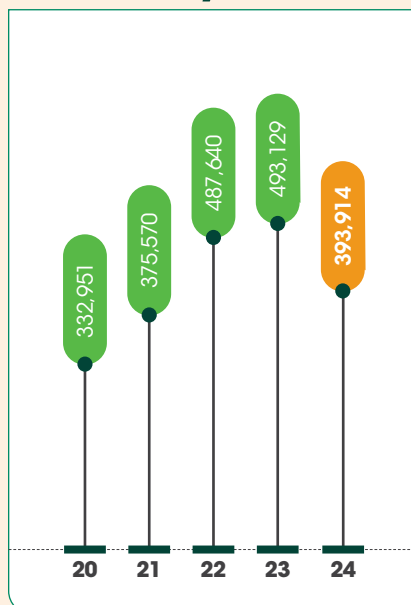
TOTAL ASSETS (RM'000)

**RM1,415,355**



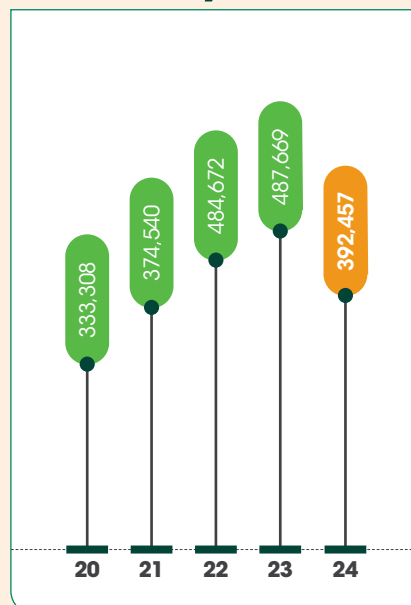
NET EQUITY FUNDS (RM'000)

**RM393,914**



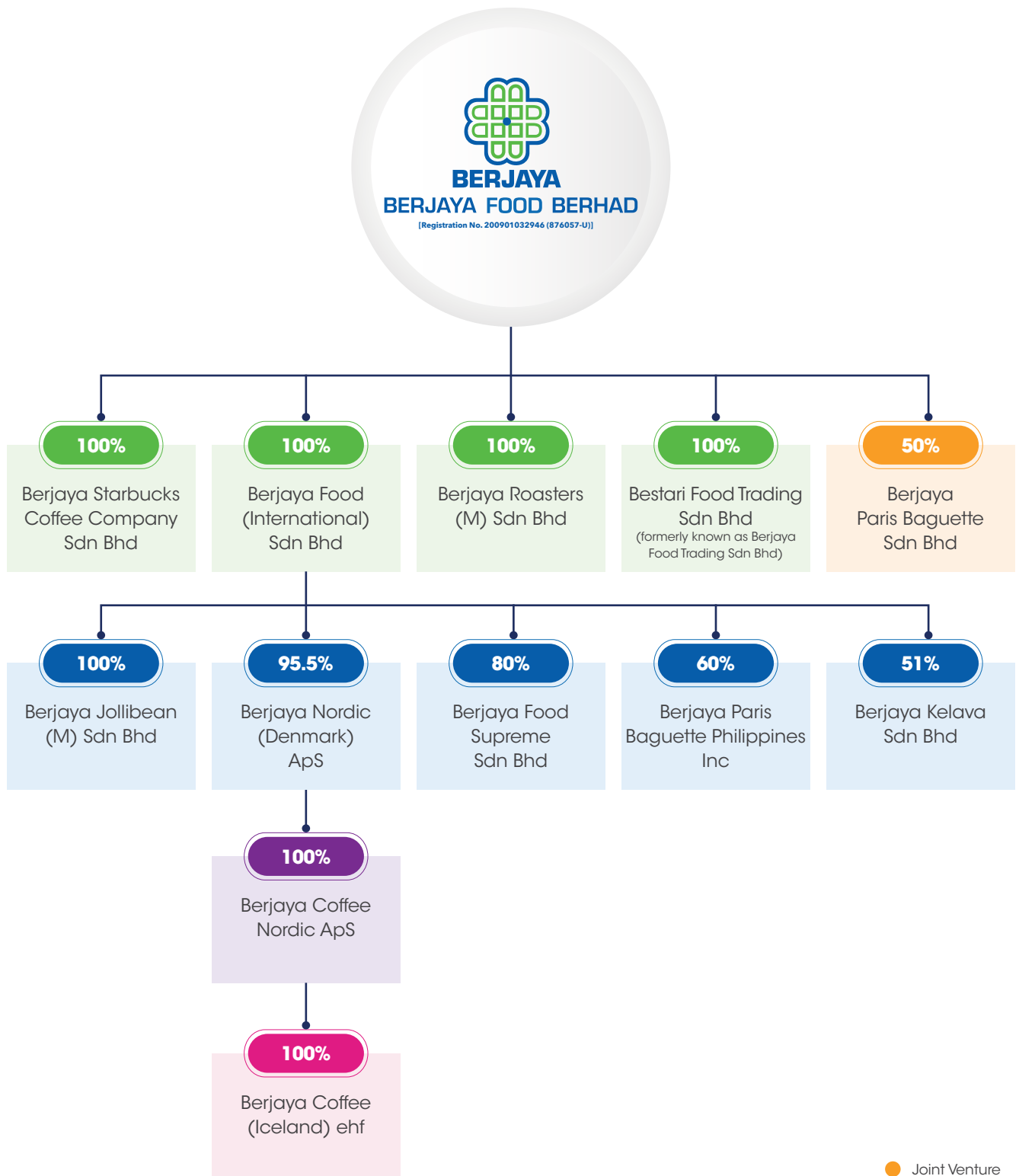
TOTAL EQUITY (RM'000)

**RM392,457**



# Corporate Structure

Of Operating Companies As At 2 October 2024





# Sustainability Statement Overview

Welcome to Berjaya Food Berhad's ("BFood" or "the Group") Sustainability Statement for FY2024. This annual disclosure offers a transparent and comprehensive insight into BFood's sustainability strategy and overall performance.



*Starbucks is committed to ethical coffee sourcing.*

While not exhaustive, the statement demonstrates the integration between BFood's business operations and its commitments to key stakeholders: employees ("partners"), the environment, communities, customers and shareholders. This statement helps stakeholders understand BFood's commitment to sustainability and the progress made in integrating sustainable practices into its business operations.

Sustainability is a responsibility and a key driver of long-term value creation. The Group continuously improves its sustainability efforts and positively contributes to the communities and environments in which it operates. A performance data table on pages 84 to 88 presents comprehensive data tables that demonstrate progress towards these goals.



## Sustainability Statement Overview

### REPORTING SCOPE AND BOUNDARY

This Sustainability Statement includes all of BFood's principal business activities, namely: Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks"), Berjaya Roasters (M) Sdn Bhd ("BRoasters"), Berjaya Jollibean (M) Sdn Bhd ("BJoybean"), Bestari Food Trading Sdn Bhd (formerly known as Berjaya Food Trading Sdn Bhd ("BFT"), Berjaya Food Supreme Sdn Bhd ("BFS"), Berjaya Kelava Sdn Bhd ("BKelava"), Ser Vegano Sdn Bhd ("Ser Vegano") and Paris Baguette Malaysia ("BPB").

### REFERENCES, DATA AND RESTATEMENT

All references to "BFood" or "Group" collectively refer to BFood and all operating companies; "the Company" refers to the brand or discussed company.

The Sustainability Statement emphasises BStarbucks' coverage, given its extensive business operations, accounting for approximately 80% of BFood Group's gross revenue and headcount.

BFood has diligently gathered and presented available data with the assistance of existing management control and information systems to ensure the reliability of information flows and accurate monitoring of sustainability performance.

Additionally, BFood has restated selected past years' indicators as part of its ongoing efforts to enhance its scope and data monitoring systems.

The Sustainability Statement features a performance table that consolidates data from the past three years, conveniently presented on pages 84 to 88 for easy reference.

### REPORTING PERIOD

Financial Year 2024 ("FY2024") from 1 July 2023 to 30 June 2024, unless otherwise stated.

### REPORTING GUIDELINES

#### Principle Guideline

- Global Reporting Initiative ("GRI") Standards

#### Additional Guidelines

- Bursa Malaysia Enhanced Sustainability Reporting Framework
- The United Nations Sustainable Development Goals ("UNSDGs")
- International Organisation for Standardisation ("ISO") 26000:2010 Guidance on Social Responsibility
- FTSE4Good Bursa Malaysia Index and other local and international sustainability ratings

### ACCURACY AND RELIABILITY OF CONTENT

Each business unit's management reviewed and verified the accuracy and reliability of this statement, ensuring its integrity before endorsement by the Board of Directors ("Board"). SIRIM QAS International Sdn Bhd conducted external assurance covering the following topics:

- Human Resource
- Greenhouse Gases
- Pollution
- Environmental Performance: Waste, Water & Energy
- Occupational Safety and Health
- Governance
- Performance Data

### FEEDBACK

For any questions or comments on this Sustainability Statement or sustainability at BFood, please contact [enquiries@berjayafood.com](mailto:enquiries@berjayafood.com).

# Sustainability Statement

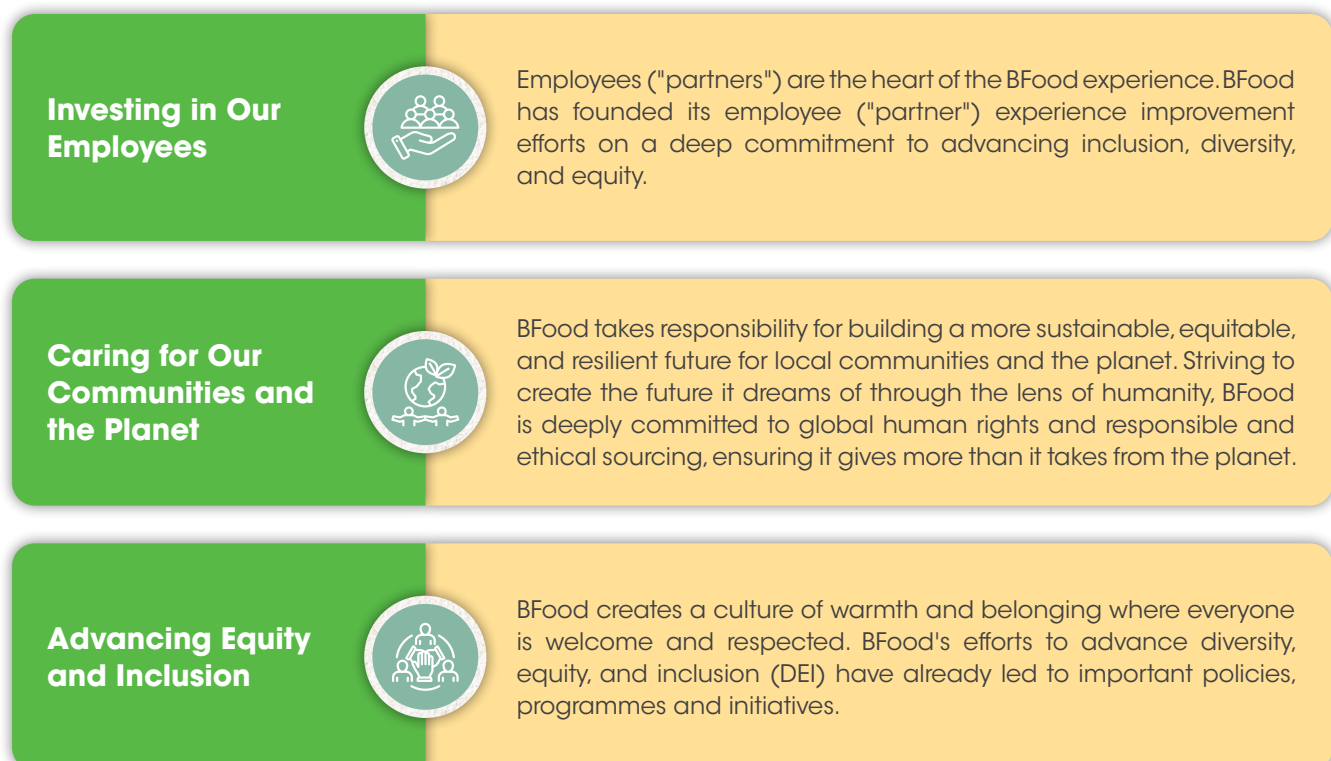
## SERVING FOR A BETTER TOMORROW

**BFood's sustainability strategy prioritises value creation and embraces a forward-thinking perspective. The Group is dedicated to transparency and accountability, consistently measuring progress towards sustainability goals. By integrating sustainability into all facets of operations, BFood ensures alignment with its values and contributes positively to the environment and society.**

### BFood's Sustainability Pillars



### BFood's Sustainability Strategic Priorities



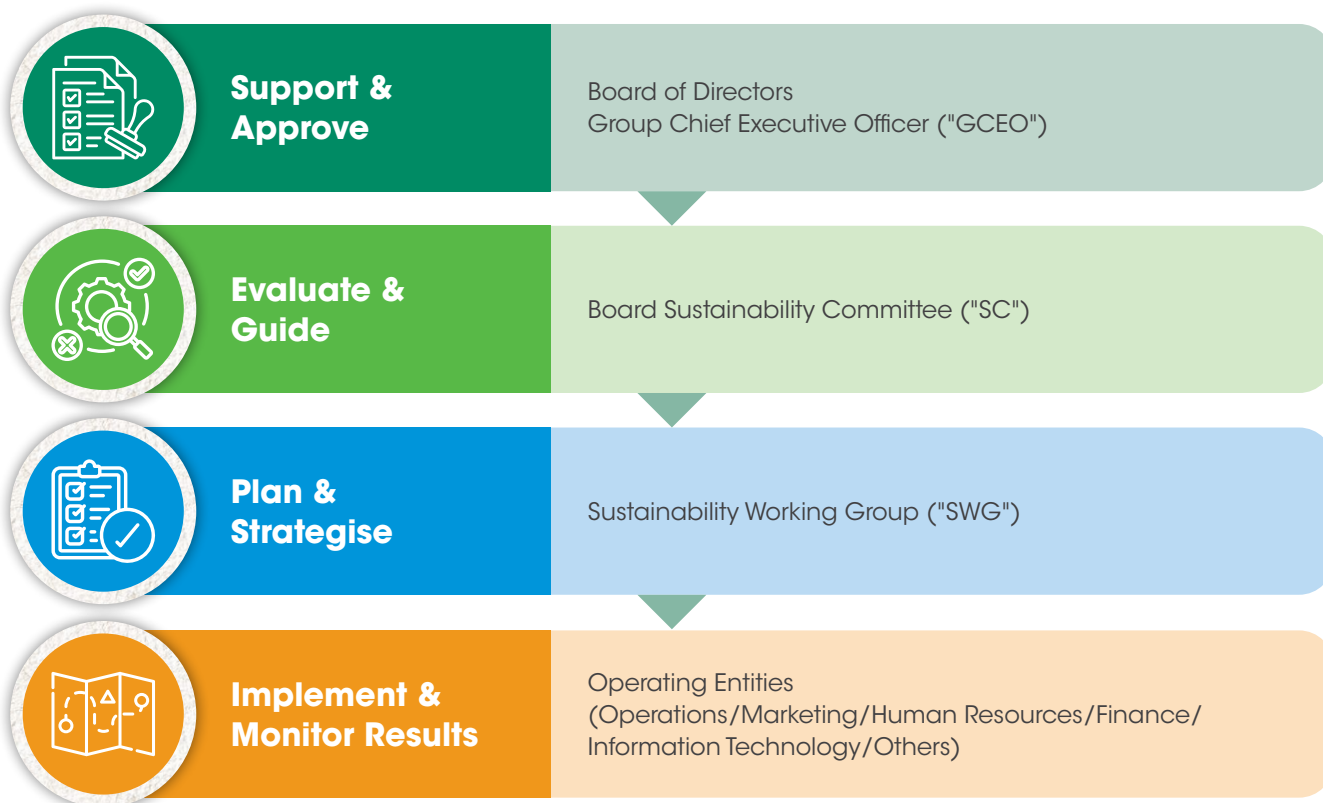
## Sustainability Statement

### TRANSFORMING OUR SUSTAINABILITY GOVERNANCE MODEL

In July 2024, BFood introduced a leaner governance structure with clear accountability. The Board of Directors remains the highest governance body that provides advisory and approves BFood's sustainability development strategy and targets. The Board Sustainability Committee ("SC") assists the Board of Directors by informing, advising and delivering proposals within its scope of action.

In regards to sustainable operation management, BFood established the Sustainability Working Group ("SWG"), comprising representatives from the key management team that is responsible for planning and implementing sustainability practices and policy. Heads of operating entities are accountable for coordinating and achieving Group sustainable development targets for integrating sustainability into BFood's business, continual improvement and transparent communications.

#### Sustainability Governance



Comprehensive policies and frameworks strengthen BFood's sustainability governance. Crucial instructions and training on the Code of Conduct, Anti-Corruption measures, and Environmental and Occupational Safety and Health guidelines reinforce clearly defined responsibilities. Insights gleaned from various sustainability tools and activities, including internal audits and compliance processes, are pivotal in effectively monitoring the Group's sustainability performance.



# Sustainability Statement

## AWARDS AND RECOGNITIONS



### 1 Seek People & Purpose Awards 2024

9 May 2024

Top Voted Employer in Food & Beverages - Gold  
Category: Berjaya Food Berhad

### 2 Putra Brand Awards 2022 - 2023

19 January 2024

Restaurants & Fast Food Outlets Category - Gold:  
Starbucks Malaysia

### 3 HR Asia Best Companies to Work for in Asia 2023

7 December 2023

Starbucks Malaysia

### 4 2023 MY AMCHAM CARES

22 November 2023

Recognition of Achievement and All Star Achievers:  
Starbucks Malaysia

### 5 The Edge Billion Ringgit Club 2023

23 October 2023

Highest Returns to Shareholders Over Three Years:  
Berjaya Food Berhad

### 6 The BrandLaureate Bestbrands Awards 2022 - 2023

16 August 2023

Nation's Favourite Brand - F&B Rotisserie Roasted  
Chicken: Kenny Rogers ROASTERS

### 7 Sustainability & CSR Malaysia Awards 2023

26 July 2023

Personality of the Year Sustainability Leadership  
Award: Dato' Sydney Quays

Company of the Year (F&B Retail) – Community  
Engagement Award: Starbucks Malaysia

## BFOOD CONTINUES TO SHINE IN ESG RANKING

BFood is committed to enhancing its sustainability disclosures in line with local and international standards. The FTSE4Good Index Series evaluates companies based on their Environmental, Social, and Governance ("ESG") practices. The Group is proud to have achieved a FTSE4Good 4-Star rating in the latest results announced in June 2024.



FTSE4Good

BFood has maintained a strong standing in the FTSE4Good Bursa Malaysia and FTSE4Good Bursa Malaysia Shariah Indices, achieving an impressive overall rating of 4.2 out of 5, earning a prestigious four-star rating.





## Sustainability Statement

### CHEERS TO 25 YEARS: A QUARTER-CENTURY OF BREWING EXCELLENCE!

BStarbucks recently marked its 25<sup>th</sup> anniversary, commemorating a quarter-century of Brewing Memories Engaging Communities. Starbucks Support Center ("SSC") employees ("partners") celebrated a futuristic-themed party, marking the remarkable milestone with various fun and engaging activities.



BStarbucks 25<sup>th</sup> anniversary celebration at the Starbucks Support Center.






BStarbucks 25<sup>th</sup> anniversary celebration at all stores nationwide.

## Sustainability Statement





### BREWING SUSTAINABLE PARTNERSHIP

As a global brand, BFood interacts with a broad spectrum of local and international stakeholders. Continuous dialogue is vital for identifying critical issues, shaping business strategy and optimising stakeholder value.

BFood's stakeholder engagement fosters meaningful partnerships with internal and external stakeholders through open dialogue and collaboration, addressing concerns and co-creating sustainable solutions. This commitment transcends mere compliance, reflecting a genuine dedication to shared value creation and positive societal impact. Dialogue informs critical issues, guides business strategy and maximises stakeholder value at all organisational levels.

Stakeholder Group	Engagement Platforms	Areas of Interest	BFood Commitment
<b>Government &amp; Regulators</b> 	<ul style="list-style-type: none"> <li>Meetings and interactions with the regulators on policy matters or issues concerning the customers and the general public</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Consumer protection and safety</li> <li>Environmental impact</li> <li>Market competition</li> <li>Public health and food safety standards</li> </ul>	BFood follows all legal requirements, prioritising consumer protection, reducing its environmental footprint, and ensuring fair and responsible market practices.
<b>Customers</b> 	<ul style="list-style-type: none"> <li>Continuous efforts to serve customers more effectively using various feedback channels and initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Food and beverage quality and safety</li> <li>Transparency in sourcing and nutritional information</li> <li>Menu choices tailored to various dietary preferences</li> <li>Affordability and pricing transparency</li> <li>Exceptional customer experience</li> </ul>	BFood ensures transparent sourcing, clear nutritional information, and diverse menu options to meet all dietary needs while maintaining high-quality, safe products.
<b>Employees</b> 	<ul style="list-style-type: none"> <li>Internal engagement channels</li> <li>Training and development programmes</li> <li>Open communications through Town Hall sessions</li> <li>Employee ("Partner") Sustainability Survey</li> </ul>	<ul style="list-style-type: none"> <li>Career development and growth opportunities</li> <li>Work-life balance</li> <li>Competitive compensation and benefits packages</li> <li>Supportive company culture and positive work environment</li> <li>Safe workplace</li> </ul>	BFood supports employees ("partners") through career growth opportunities, work-life balance and comprehensive benefits while ensuring a safe and supportive work environment.

## Sustainability Statement

Stakeholder Group	Engagement Platforms	Areas of Interest	BFood Commitment
<b>Contractors, Consultants &amp; Suppliers</b> 	<ul style="list-style-type: none"> <li>• Tendering and the procurement process</li> <li>• Regular meetings with suppliers to encourage and offer feedback on improving ways of working together</li> </ul>	<ul style="list-style-type: none"> <li>• Transparent contracting processes</li> <li>• Collaborative working relationships</li> <li>• Clear communications on expectations</li> <li>• Timely payment and fair compensation</li> <li>• Opportunities for long-term collaboration</li> </ul>	BFood fosters strong partnerships with contractors, consultants, and suppliers by upholding fairness, transparency and mutual respect in all business interactions.
<b>Media</b> 	<ul style="list-style-type: none"> <li>• Regular engagement and updates with the mainstream media</li> <li>• Media releases relating to crucial business development and Corporate Social Responsibility ("CSR") activities</li> </ul>	<ul style="list-style-type: none"> <li>• Accurate and timely information</li> <li>• Transparency and openness</li> <li>• Collaboration on content creation</li> <li>• Insights into BFood's sustainability initiatives</li> <li>• Latest products and innovations</li> </ul>	BFood is committed to providing transparent and accurate information to the media, fostering open communication and building trust through timely and responsible engagement.
<b>Communities, Non-Governmental Organisations ("NGOs"), Peer Companies &amp; Industry Groups</b> 	<ul style="list-style-type: none"> <li>• Consultations with NGOs, peer companies and industry groups for their expert opinions on corporate responsibility areas relevant to the business</li> <li>• Volunteering opportunities and charitable events</li> </ul>	<ul style="list-style-type: none"> <li>• Community engagement programmes</li> <li>• Collaboration opportunities for social impact projects</li> <li>• Engagement in initiatives for positive change</li> </ul>	BFood collaborates with NGOs and industry groups to advance shared goals, support community initiatives, and drive positive change through sustainable and ethical practices.
<b>Investors, Shareholders and Stock Analysts</b> 	<ul style="list-style-type: none"> <li>• Communications via announcements to Bursa Securities, general meetings and BFood's website</li> <li>• Conducting briefings and updates for analysts, fund managers and potential investors as and when required</li> </ul>	<ul style="list-style-type: none"> <li>• Financial performance and return on investment</li> <li>• Company strategy and future growth prospects</li> <li>• Dividend payouts and shareholder value creation</li> <li>• Transparency and disclosure of financial information</li> <li>• Corporate governance practices</li> </ul>	BFood is committed to delivering long-term value to shareholders and investors through transparent governance, sustainable growth, and robust financial performance.



## Sustainability Statement

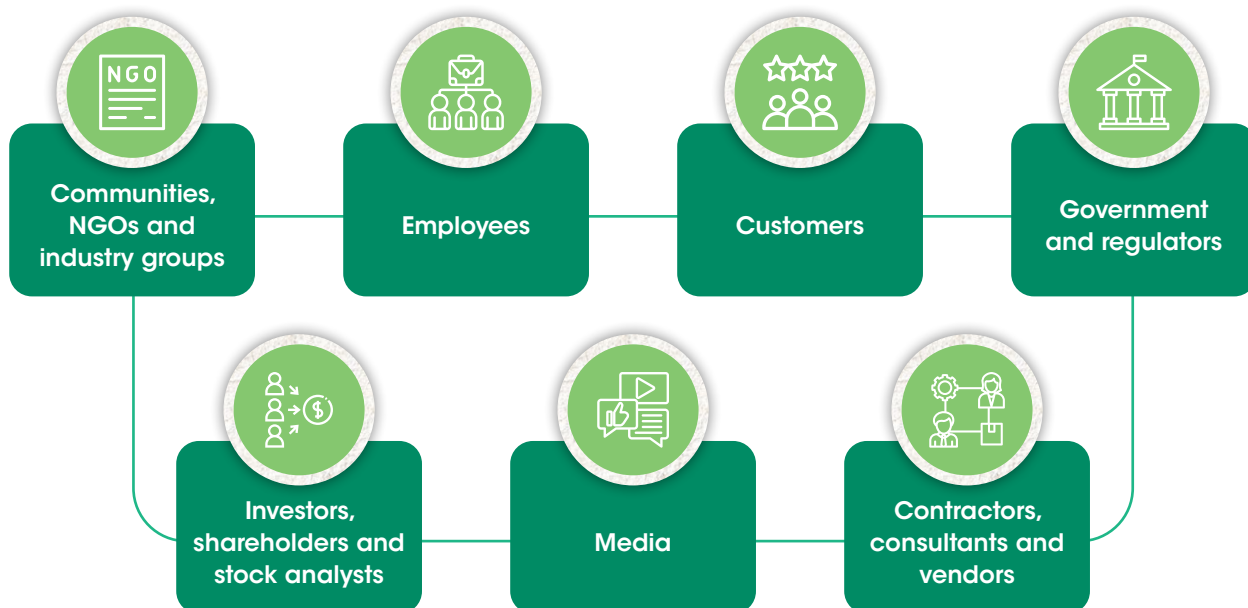
### SUSTAINING SUCCESS THROUGH PRIORITISED IMPACT

BFood undertook an extensive materiality assessment during the last quarter of FY2024. Within BFood's framework, materiality involves identifying and prioritising the most pertinent Economic, Environmental and Social ("EES") issues for the Company and its stakeholders. This strategic focus enables BFood to allocate resources effectively, mitigate risks, and capitalise on opportunities, fostering sustainable growth and long-term value creation.

#### The Methodology
























A materiality survey was administered to stakeholders, soliciting their evaluations on the significance of 19 sustainability areas. The respondents used a 5-point Likert Symmetric Scale, ranging from "very unimportant" (1) to "very important" (5), with a midpoint of (3) denoting neutrality. The Board and Senior Management Team actively participated, contributing valuable insights to BFood's comprehensive understanding.

#### Stakeholders Contributing to the Materiality Assessment


























BFood ensures its sustainability practices benefit local stakeholders and align with broader global objectives. The table below illustrates the alignment of each material matter with the Global Reporting Initiative ("GRI") and the corresponding United Nations Sustainable Development Goals ("UNSDGs").

## Sustainability Statement

Sustainability Pillars	Focus Areas	What it means to BFood	GRI Topics	Corresponding UNSDGs
<b>Economic</b> 	Risk management	Managing product, supplier, business and brand risks across the value chain	<ul style="list-style-type: none"> <li>Non-GRI topic</li> </ul>	 
	Supply chain management	Sourcing materials responsibly and working with supply chain partners to deliver the highest quality food	<ul style="list-style-type: none"> <li>Procurement practices</li> <li>Supplier environmental assessment</li> <li>Supplier social assessment</li> </ul>	  
	Compliance	Complying with legal (e.g. anti-corruption and anti-competition regulations) and other core operational regulations (e.g. environment, labour law, safety and health, Good Manufacturing Practices ("GMP"), Halal certification, and Hazard Analysis and Critical Control Points ("HACCP") requirements	<ul style="list-style-type: none"> <li>Anti-competitive behaviour</li> <li>Anti-corruption</li> <li>Environmental compliance</li> <li>Socio-economic compliance</li> </ul>	 
<b>Environment</b> 	Energy & climate change management	Introducing strategic measures to optimise energy use, reduce carbon emissions and mitigate environmental impact, ensuring sustainable and responsible business practices	<ul style="list-style-type: none"> <li>Energy</li> <li>Emissions</li> </ul>	      
	Resource management	Conserving natural resources to address issues such as biodiversity, water quality and land preservation to minimise environmental impact and promote ecological balance	<ul style="list-style-type: none"> <li>Water</li> <li>Materials</li> </ul>	 
	Waste management	Systematically handling, collecting, disposing and recycling waste materials to minimise environmental impact, promote sustainability and ensure responsible and efficient management of resources	<ul style="list-style-type: none"> <li>Effluents and waste</li> </ul>	    

## Sustainability Statement

Sustainability Pillars	Focus Areas	What it means to BFood	GRI Topics	Corresponding UNSDGs
<b>Environment (continued)</b>  	Water management	Using water efficiently and minimising its consumption throughout operations	• Water	 
	Biodiversity	Implementing measures to conserve and sustainably manage ecosystems, species and genetic diversity, safeguarding biodiversity and promoting environmental resilience for future generations	• Biodiversity	 
	Preventing pollution	Minimising the release of harmful substances into the environment to protect human health and ecosystems for a cleaner and healthier planet	• Emissions	  
<b>Social</b>  	Employee wellness, engagement & satisfaction	Prioritising employees ("partners") health and well-being through regular engagement to attract and retain the best talents	• Employment • Freedom of association and collective bargaining	   
	Occupational safety & health	Upholding workplace safety for injury prevention and eliminating workplace health and safety risks through safety assessment at our stores and restaurants	• Occupational safety and health	  
	Diversity, inclusion & talent development	Empowering employees ("partners") to grow by creating positive working relationships with our diverse employees ("partners") and providing opportunities for career development	• Diversity and equal opportunity • Non-discrimination • Training and education	   
	Human rights	Protecting the rights of all stakeholders by providing decent conditions for workers, such as eliminating excessive working hours and providing decent accommodation	• Human rights assessment • Child labour • Forced labour	  

# Sustainability Statement

Sustainability Pillars	Focus Areas	What it means to BFood	GRI Topics	Corresponding UNSDGs
<b>Social (continued)</b> 	Customer engagement	Training employees regularly to improve customer service levels, rewarding customers through our loyalty programme and assessing their needs to improve satisfaction	<ul style="list-style-type: none"> <li>Non-GRI topic</li> </ul>	
	Integrated marketing communications	Using various promotional methods and channels to convey an honest, transparent and balanced message about BFood's products or services to its target audience	<ul style="list-style-type: none"> <li>Marketing and labelling</li> </ul>	 
	Data privacy & security	Protecting customers and other users' data during all transactions and loyalty schemes	<ul style="list-style-type: none"> <li>Privacy policy</li> </ul>	
	Community & society	Strengthening our local communities by organising multiple corporate social responsibility programmes and collaborating with partners to raise awareness	<ul style="list-style-type: none"> <li>Local communities</li> </ul>	 
	Food safety	Implementing practices and measures to prevent contamination, ensuring that food is handled, prepared and stored in a way that minimises the risk to consumers	<ul style="list-style-type: none"> <li>Customer health and safety</li> </ul>	
	Inclusion for people with disabilities	Fostering a welcoming environment that ensures all employees and customers, including individuals with disabilities, can enjoy the BFood experience	<ul style="list-style-type: none"> <li>Diversity and equal opportunity</li> <li>Non-discrimination</li> </ul>	  



## Sustainability Statement

BFood conducts materiality assessments every two years to pinpoint and prioritise significant Economic, Environmental, Social and Governance ("EESG") impacts, risks and opportunities for the business and stakeholders. In FY2024, the Group conducted the materiality assessment, which involved identifying and evaluating the impact and significance of various Economic, Environmental, Social and Governance factors. This strategic exercise effectively prioritised and aligned actions and initiatives with stakeholder expectations and business objectives, ensuring a focused approach to sustainable growth and responsible business practices.



Focus area under:

● Economic Pillar

● Environment Pillar

● Social Pillar

## Sustainability Statement

### ECONOMIC SUSTAINABILITY

**BFood is committed to ensuring the Group's long-term profitability, growth, and resilience while considering its impact on stakeholders, the broader economy and the entire industry. Investing in various strategic initiatives maximises efficiency, minimises waste and optimises resource utilisation throughout the supply chain.**

Several brands within the Group prioritise investments in technology to streamline operations, implement cost-saving measures, and diversify revenue streams to mitigate risks associated with market fluctuations. BFood contributes to the economy, strengthens the food industry and fosters innovation and sustainable practices through these endeavours.

This Annual Report 2024 provides an in-depth overview of BFood's strategic priorities and financial performance.

#### SPREADING A TASTE OF PARIS GLOBALLY

On 18 April 2024, Paris Baguette celebrated the grand opening of its first-ever outlet in Manila, the Philippines, at The SM Mall of Asia, one of Southeast Asia's largest malls. This opening marks the beginning of many more outlets in strategic locations across the Philippines. Embarking on this growth and culinary exploration journey brings Paris Baguette's renowned offerings closer to Filipino communities.

Paris Baguette will also open its first store in Brunei. Berjaya Food International, a Berjaya Food subsidiary, signed a Letter of Intent with Paris Baguette Singapore to prepare for the opening. The Company will work with its local Brunei partner to open the first store and plans to add four more in the next ten years. This expansion is a significant milestone in the growth of the APAC region.

Founded in Seoul in 1988, Paris Baguette operates 3,750 stores in South Korea and in 11 international markets.



BPB celebrated the grand opening of its first-ever outlet in Manila, the Philippines, at the SM Mall of Asia, Manila, Philippines.

#### GROWING MARKET PRESENCE AND NAVIGATING RISING COSTS

BFood is strategically expanding its presence with an ambitious plan involving significant investment in local and international markets. This expansion encompasses opening new stores and outlets tailored to diverse customer preferences, underscoring BFood's dedication to increasing its market share.

BFood is adjusting its pricing strategy to address rising costs. Considering customer preferences and leveraging its strong brands, BFood aims to maintain profitability while ensuring the delivery of high-quality products and experiences.

BFood will maintain its focus on effective marketing initiatives and the introduction of innovative products. These endeavours attract and retain customers while staying abreast of evolving trends. Adaptability and innovation help BFood sustain its growth trajectory and solidify its food and beverage industry leader position.

#### Astute Positioning Strategy for Sustained Growth and Increased Market Presence



## Sustainability Statement

### BFOOD'S INFLUENCE THROUGHOUT THE VALUE CHAIN

BFood's expansive supply chain requires the alignment of all involved parties. The Group optimises outcomes and minimises adverse impacts across its extensive value chain. Prioritising supply chain efficiency, BStarbucks and BFS consistently enhance processes, foster partnerships and uphold transparent standards self sourcing compliance, ensuring uniformity among all involved parties.

It is standard practice for BFood to regularly assess supplier performance, with BRoasters conducting quarterly reviews. BFood audited seven suppliers during this financial year. These assessments comprehensively evaluate the Halal status and application, pricing, quality, performance and adherence to ESG standards.

Starbucks thoroughly evaluates its suppliers through rigorous Quality Assurance ("QA") audits. Food suppliers must obtain food safety certifications such as HACCP, FSSC 22000, and ISO 22000; non-food suppliers must provide relevant reports as evidence of being fit for purpose under intended use. Supplier compliance audits, including Halal audits, reaffirm suppliers' commitment to animal welfare and humane treatment principles.

In 2024, eight suppliers underwent Food Safety QA Audits, and four BStarbucks and BFS vendors completed Supplier Security Assessments. All suppliers met the required standards, demonstrating their adherence to the Company's stringent quality and safety requirements.

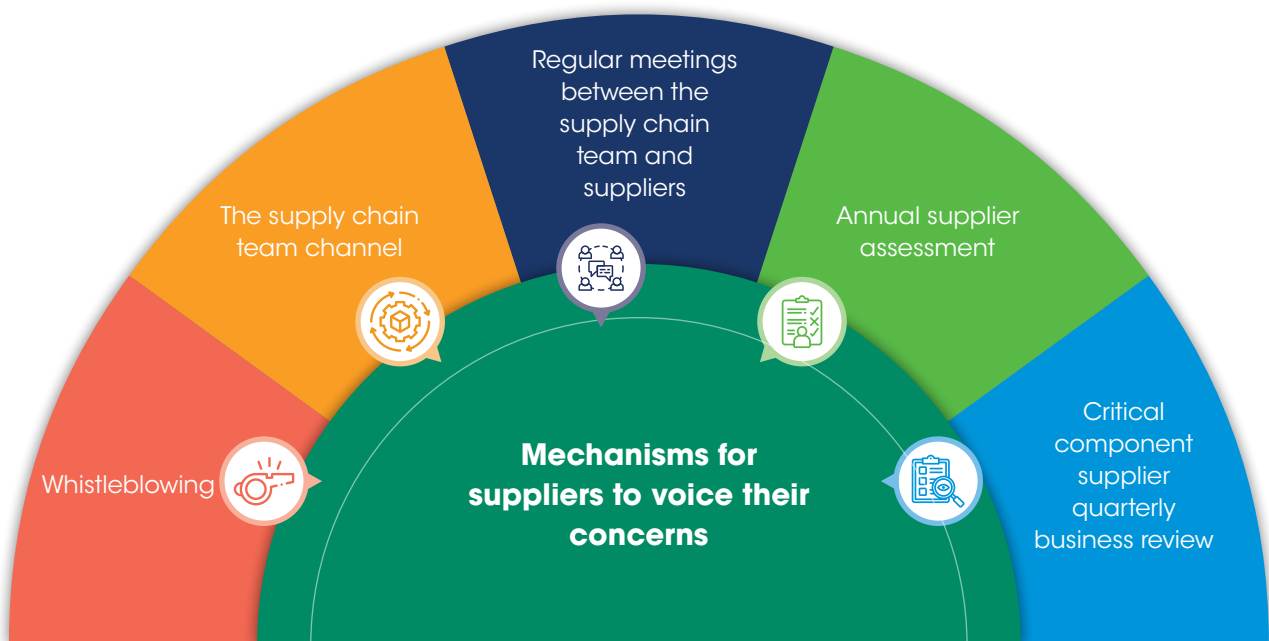
### COST AND EFFICIENCY IN THE SUPPLY CHAIN



BRoasters is currently utilising SAP to streamline various processes, including purchasing flow—such as Purchase Orders, Good Receipt PO and AP Invoices. This integration leverages advanced technological capabilities to optimise supply chain processes, improve resource allocation, and streamline operations.

BStarbucks is preparing to implement the SAP system. Despite the system not being commissioned, weekly manual cycle counts achieved a 98.5% SKU accuracy in the annual stock count as of 30 June 2024.

BFood maintains open two-way communication with its supply chain partners, ensuring transparency and effective collaboration.



## Sustainability Statement

### Responsible Sourcing Underpins Holistic Growth

BFood aims to achieve 100% responsible sourcing, prioritising local vendors whenever possible to procure raw materials. However, BStarbucks and BFS procures its coffee beans, cocoa and tea directly from the United States to maintain global quality and taste standards for all beverages. This direct procurement ensures meticulous adherence to Starbucks' stringent quality requirements, ensuring a consistent taste experience expected by customers worldwide.

### Aligning Sustainability Targets Across the Value Chain

BFood demonstrates its commitment to sustainability by seamlessly integrating it into the value chain, advocating for ethical sourcing, environmental stewardship and social welfare. The Group's core supply chain responsibility focuses on labour and human rights, safety, ethics and environmental risks. BFood incorporates its social and environmental policies into supply chain operations, consistently communicating expectations to major suppliers through regular engagement, communication, and comprehensive training programmes for relevant supplier personnel.

Engaging with major suppliers is critical to fostering their awareness of social and environmental issues, which entails discussing industry best practices in dedicated sessions to support their development. BFood also invites suppliers to join BFood on its sustainability journey, encouraging them to monitor, record, and report their environmental performance and efforts to reduce their impact. These collaborative efforts help suppliers enhance their capacity and contribute to positive changes in social and environmental practices.

The Group collaborates with suppliers to tackle environmental and social risks pertinent to the food and beverage sector, including offering supplier training on social issues and facilitating mentorship sessions to share best practices. BFood conducts risk assessments on existing suppliers' social and environmental performance, particularly those deemed 'high risk'.

As part of the Group's due diligence, BStarbucks' existing, potential, and new suppliers undergo security assessments and Quality Assurance audit.

BFood is committed to reducing its supply chain's social and environmental impact. This commitment involves actively participating in workshops and industry-specific initiatives to collaborate on sustainability efforts. Membership in organisations such as the Malaysia Retail Chain Association ("MRCA") and the American Malaysian Chamber of Commerce ("AMCHAM"), allows BFood to address social and environmental sustainability within the supply chain through tailored, industry-focused initiatives.

### Social Supply Chain

The Group emphasises fair and safe working conditions and ethical treatment for all involved parties.

These Social Supply Chain principles seamlessly integrate into operations, influencing buyer training programmes and supplier contracts. For instance, BStarbucks meticulously evaluates each supplier's facility and products, considering factors such as ethical sourcing, supplier security, food safety and product quality. Engagements with BFood are confirmed only when suppliers meet Starbucks standards, ensuring rigorous adherence to the Group's commitment to social responsibility and ethical sourcing practices.

BStarbucks and BFS conducted audits on right suppliers in this financial year. These audits assessed their adherence to food safety and quality management systems, following the Global Food Safety Initiative ("GFSI") standards.



*BStarbucks achieved a 98.5% SKU accuracy in the annual stock count in the warehouse as of 30 June 2024.*



## Sustainability Statement

### Environmental Supply Chain

BFood's supplier sourcing assessment processes comprehensively evaluate various environmental aspects, including energy consumption, greenhouse gas ("GHG") emissions, water usage, impacts on biodiversity, pollution, waste reduction, resource utilisation and other environmental concerns.

Continuous improvement characterises BFood's pursuit of a more sustainable supply chain. Aligned with its dedication to climate action, BFood requires transparency from suppliers regarding the emissions associated with their operations. The Group expects suppliers to proactively reduce carbon emissions throughout their supply chains in accordance with its sustainability objectives.

### BUSINESS ETHICS AND INTEGRITY

BFood upholds stringent ethical standards, prioritising integrity, transparency, and accountability throughout operations. From sourcing to delivery, ethical considerations drive decision-making, ensuring fairness to stakeholders and fostering sustainable business practices that contribute positively to the Company and society. Emphasising fairness, ethics, and legality, BFood's Code of Conduct and T.R.U.S.T Concept and related policies establish clear guidelines for individual behaviour, including those of employees ("partners") and supply chain partners, mandating compliance with applicable regulations and industry standards. The Group actively promotes awareness of these policies through extensive communication and tailored training within BFood's learning and development programmes. This awareness ensures that all colleagues are well-informed and aligned with the Company's ethical expectations.

### Anti-Bribery and Corruption

BFood's Zero Tolerance Policy demonstrates a proactive commitment to addressing and mitigating corruption risks, including bribery. Endorsed by the Board of Directors, the policy meets the requirements outlined in the Guidelines on Adequate Procedures to Section 17A (5) of the Malaysian Anti-Corruption Commission Act 2009. It applies to all directors, employees ("partners"), and business partners who must undergo anti-corruption education and training.

The Group actively strengthens its internal controls and prioritises tailored communications and educational resources to address bribery, corruption, and the ethical handling of gifts, entertainment, and hospitality matters.

### BFood's Overall Corruption Target



**Zero corruption, bribery and facilitation payments**

The Group conducts annual assessments and compliance reviews at selected entities.



In FY2024, there were no incidents of bribery, corruption, or legal actions related to anti-competitive behaviour involving any BFood brand.

Corruption risks, including bribery, are essential considerations in BFood's risk management framework. BFood's assessment processes for corruption and bribery risks evaluate and prioritise critical areas with high potential or likely influence over operations and all levels of management. This thorough understanding helps the Group develop comprehensive prevention assessments and solutions. Additionally, it allows them to implement plans to address potential bribery, corruption and fraud, especially in high-risk operations.

As part of its due diligence, BFood conducts corruption and bribery risk assessments for intermediaries, including all new and existing business partners, contractors, subcontractors, third parties and agents. BFood ensures effective communication of these policies and practices to its intermediaries to ensure all parties involved are aware of and compliant with the Group's anti-corruption measures, mitigating risks across its operations. BStarbucks conducts ethical training for its suppliers and contractors every two years. BStarbucks held its most recent training in FY2023, with the next session scheduled for FY2025.

During the FY2024, BRoasters implemented to all suppliers to comply with Berjaya's T.R.U.S.T Concept to sign Berjaya Trust Concept and the Integrity Declaration Form, acknowledging anti-bribery and anti-corruption laws for all suppliers, reinforcing its commitment to ethical practices.

## Sustainability Statement



*BRoasters employees ("partners") serving happiness, one meal at a time.*

### Whistleblowing

BFood provides employees ("partners") and external stakeholders with a Whistleblowing communication channel for reporting concerns related to non-compliance. The Group handles each allegation professionally and confidentially. Employees ("Partners") found involved in bribery face disciplinary action, potentially leading to termination. Department heads ensure all employees ("partners") adhere to the Anti-Bribery and Corruption Policy.

### INDUSTRY ADVANCEMENT THROUGH COLLABORATIONS

BFood is committed to advancing the industry through proactive collaboration with industry associations. This strategic engagement allows for the exchange of diverse viewpoints and promotes cooperative efforts to drive positive change within the sector. Fostering an environment of collaboration addresses critical industry challenges and supports innovation through shared expertise and collective action.

### Notable Industry Memberships



American  
Malaysian  
Chamber of  
Commerce  
("AMCHAM")



Malaysia  
Retail Chain  
Association  
("MRCA")



Malaysian  
Investor Relations  
Association  
("MIRA")



Malaysian  
Specialty Coffee  
Association  
("MSCA")



Malaysian  
Employers  
Federation  
("MEF")

## Sustainability Statement

### ADVANCING ENVIRONMENTAL SUSTAINABILITY



*Starbucks® coffee has been verified as 99% ethically sourced, and is the largest coffee retailer to achieve this milestone. Starbucks works directly with farmers to develop responsible growing methods and invest in their communities to ensure a sustainable supply of quality coffee.*

Given the extensive scale of operations, BFood's environmental footprint is considerable. Carefully analysing and optimising sourcing, transportation and business life-cycle processes promotes environmental sustainability and minimises its impact by reducing carbon emissions.

BStarbucks and BFS have boldly committed to halving its carbon, water and waste footprints by 2030. The Company will continue to strive towards these ambitious goals, adapting its targets as scientific advancements and measurement capabilities evolve.

#### ETHICAL SOURCING OF COFFEE

Starbucks introduced one of the coffee industry's first ethical sourcing standards in 2004 in collaboration with Conservation International. The C.A.F.E. Practices programme evaluates farms based on economic, social, and environmental criteria to promote transparent, profitable, and sustainable growing practices. This programme protects the well-being of coffee farmers, their families and communities. Working with farmers through C.A.F.E. Practices provides a long-term supply of high-quality coffee while positively impacting the lives of coffee farmers and their communities.

#### CLIMATE ACTION

BFood is intensifying its decarbonisation efforts across its operations and supply chains. The Group is committed to delivering low-carbon solutions in its food and beverage offerings and integrating climate-related risks into its business strategies.

The Group's Sustainability Department, reporting directly to the Board, develops and implements strategies to minimise the organisation's environmental impact. In FY2024, BFood invested RM3,149,436.00 in climate change initiatives, including installing energy-efficient LED lighting, digital menu boards, community boards and signage.

BStarbucks engages with several industry associations that prioritise sustainability, particularly climate change. These include the MRCA and the AMCHAM. Through these affiliations, the Group collaborates with industry peers to address various challenges related to environmental sustainability, regulatory compliance and operational efficiency in the food and beverage sector. These organisations also shape public policy and regulations relevant to the industry. BStarbucks actively participates in these memberships to address critical environmental issues such as climate change, water management and waste reduction.



## Sustainability Statement

Starting from FY2025, Berjaya Group will implement a Climate-Related Risk and Opportunity Register. This initiative aims to strengthen BFood's capacity to assess, monitor, and report on climate-related risks and opportunities, which will play a critical role in the Group disclosures post-2025. In line with this exercise, the BFood Sustainability Committee will serve as the custodian of BFood Climate-Related Risk and Opportunity Register. This ensures that risks and opportunities are accurately documented, regularly updated, and aligned with the Group broader sustainability strategy.

BFood's commitment to addressing climate change and improving efficiency involves integrating new, sustainable technologies into its operations and supply chain management. The Company has implemented an adaptation strategy with a tracking system to monitor emissions, energy usage, water consumption, and waste across all its outlets, restaurants and stores.

### Eco-Fueling

BStarbucks installed EV chargers at drive-through stores to promote sustainable transportation, reduce greenhouse gas emissions and minimise local pollution. This initiative supports the broader adoption of electric vehicles, contributing to a cleaner future. BStarbucks installed 22 AC and 45 DC chargers.

To date, EV chargers have been installed at 37 outlets, covering 67 bays of parking spaces.



Starbucks Greener Store located in Kuchai Lama, Kuala Lumpur.

### Starbucks Greener Stores

Starbucks' Global Greener Stores New Standards represent a comprehensive framework encompassing efficient systems and processes for managing store data submissions, in-store asset management, audits, certifications, tracking and reporting.

To date, three stores have met the criteria for Greener Stores certification, an accreditation independently verified by SCS Global Services, a reputable third-party verification entity. These certified stores have demonstrated exceptional compliance with the Greener Stores programme, excelling in various critical dimensions, including energy efficiency, water stewardship, renewable energy, waste diversion, responsible materials, health and well-being and community engagement. The Group plans to expand this to five stores by FY2025.



In partnership with chargeEV by Yinson Greentech, EV chargers are now available at selected Starbucks stores.



## Sustainability Statement

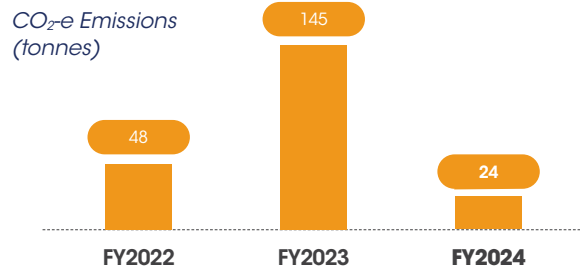
### CARBON FOOTPRINT ANALYSIS

#### SCOPE 1

BFood uses petrol and diesel to power BFood's company-owned vehicles. BFood derived its CO<sub>2</sub> emissions from fuel consumption from the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories.



##### Scope 1 Emissions

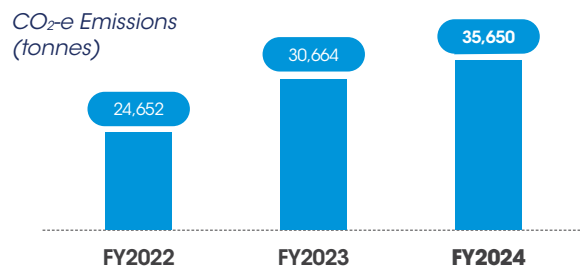


#### SCOPE 2

BFood's operations consume considerable amounts of electricity. CO<sub>2</sub> emissions from electricity use are derived using the emission factor published by the Energy Commission for the Peninsular Grid 2021.



##### Scope 2 Emissions



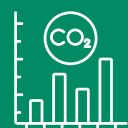
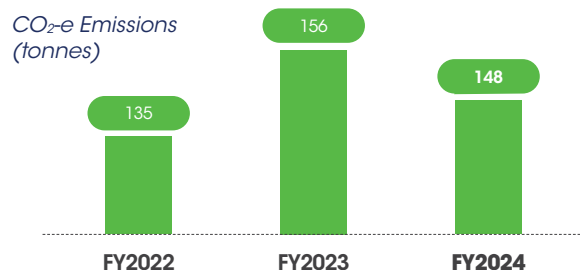
#### SCOPE 3: Employee Commuting Survey

BFood launched a survey during the last quarter of FY2024 to estimate the:

- Travel methods, such as bicycle, LRT and own vehicle
- Approximate total daily distance travelled each day to work and back
- The vehicle characteristics if employees ("partners") used their vehicles

BFood improved its methodology to capture employees' ("partners") travels using multiple modes of transport in a given day. The emission factors from cross-section tools for WRI GHG Emission Factors Compilation helped calculate each respondent's emissions based on each employee ("partner") working an average of 291 days.

##### Scope 3 Emissions: Business Travel



## Sustainability Statement

### Typical Methods of Transport for BFood Employees

Method of Transport	Number of Employees in Sample	Estimated Total Annual Distance Travelled by All Employees (km)	Estimated Total Yearly Emissions (tCO <sub>2</sub> e) of BFood
Bicycle	4	38,761	0
Bus	28	236,221	16
Car pool	0	0	0
Company Vehicle	17	261,818	0
e-bike/e-scooter (non-owned)	5	62,895	0
Overground Train	7	113,357	13
Own Vehicle	1,147	15,694,433	3,158
Taxi/E-hailing	59	408,085	58
Train (LRT/KTM/Monorail/MRT/ERL)	118	1,570,906	159
Walking	57	247,922	0
Work from home	0	0	0
Total	1,442	18,634,397	3,405

In FY2024, 1,442 employees ("partners"), representing 40% of the total workforce participated in the survey as compared to 2,778 employees ("partners") (43.5%) in FY2023. Accordingly, the total distance travelled for commuting decreased significantly, from 28,052,067 kilometers in FY2023 to 18,634,397 kilometers in FY2024. This reduction was also partly attributed to a decrease in workforce size. Consequently, the total yearly CO<sub>2</sub> emissions from employee ("partner") commuting dropped from 7,397 tonnes in FY2023 to 3,405 tonnes in FY2024, representing a 54% reduction. This decline highlights the impact of workforce changes on our environmental performance.

\* Emissions from shuttle buses are accounted for in Scope 1.

### ENERGY MANAGEMENT

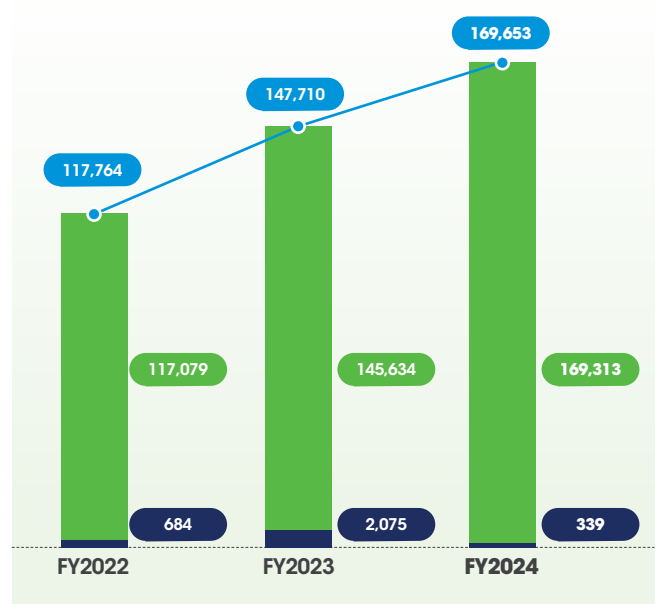
BFood's energy management strategy improves energy efficiency by minimising unnecessary resource consumption, adopting new energy conservation measures, and leveraging technological innovations to reduce emissions. In the office, all powered equipment is turned off or placed on standby when not in use unless doing so would impair the operation of the equipment. BFood turns off items such as copiers, printers, and shredders at the end of the day.



#### WHAT'S BREWING?

BStarbucks has initiated a pilot test at one of its stores in Penang, investing in renewable energy solutions such as solar water heaters, solar bollards, and solar street lights. BStarbucks closely monitors the impact and feasibility of these solutions as part of its ongoing commitment to sustainability and reducing its environmental impact by using clean energy technologies.

#### Energy (GJ)



● Indirect Energy ● Direct Energy\* ● Total Energy

\* Energy conversion coefficients are derived from the IPCC Guidelines for National Greenhouse Gas inventories. FY2022 and FY2023 restated due to updated conversion factors.

## Sustainability Statement

### Ecoglow with LED

In FY2024, BStarbucks has invested RM1,365,120 in upgrading to LED technology for digital menus, community boards, and signage across 28 stores. Similarly, KRR has spent RM389,657 on LED lighting, digital menu boards, signage and air conditioning inverters across eight restaurants.

LEDs are a more energy-efficient choice and also offer a longer lifespan and brightness control, which is especially beneficial in well-lit environments. LEDs generate fewer carbon emissions than traditional menu boards, reflecting a commitment to sustainability and energy efficiency. Both companies are making significant strides in this area by investing in LED technology.

**92%** of BStarbucks operations use LED lighting, while the BStarbucks Head Office has

fully transitioned to **100%** LED.

**33%** of KRR operations use LED lighting.



### WATER MANAGEMENT

Water stewardship and soil health are vital components of BFood's strategy. BStarbucks supports the transition to sustainable eco-wet mills, which separate the coffee bean from the coffee cherry while conserving water and increasing efficiency for farmers. Starbucks also collaborates with farmers to deepen their understanding of soil nutrition requirements by promoting soil sample analysis and providing tailored recommendations for soil nutritional needs. These efforts can potentially reduce on-farm carbon emissions and increase crop productivity.

BFood avoids operating in water-stressed regions, ensuring it has no presence, facilities, assets, production or revenue in these environmentally sensitive areas. This approach underscores its commitment to environmental sustainability and responsible water resource management, minimising the impact on local water supplies. Recognising the importance of high-quality fresh water for its operations, BFood tracks key water metrics, including the volume and quality of water used and discharged across all outlets monthly.

Examples of equipment at BStarbucks outlets that conserve water include:



**Dishwashers:** BStarbucks' and BFS's dishwashers reduce the heat load and eliminate the need for hot water pre-heating. This design lessens the burden on HVAC systems and water heaters, leading to reduced energy consumption and more efficient water use.

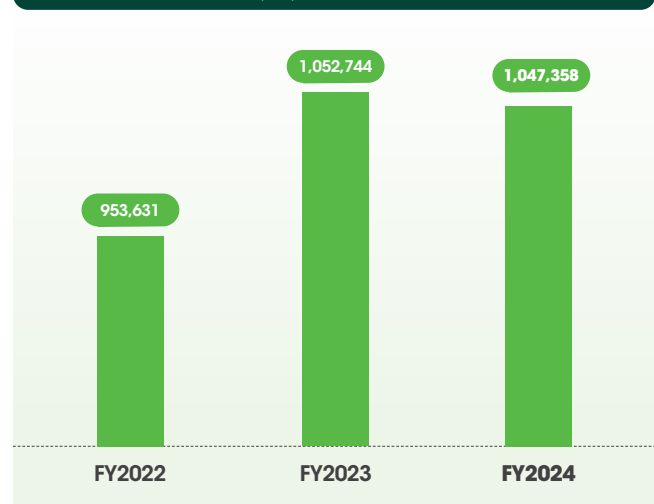


**Ice Machines:** BStarbucks and BFS utilise ENERGY STAR-certified ice makers, which are approximately 10% more energy-efficient and 20% more water-efficient than standard models.



**Water Heaters:** BStarbucks and BFS employ optimally-sized water heaters to meet the facility's needs. This approach reduces the energy required to heat water and minimises wasted hot water, contributing to more efficient water use and lower energy consumption.

### Water Consumption (m³)







\* FY2022 and FY2023 estimated based on the expansion of the number of stores.

## Sustainability Statement



BStarbucks' "Bring Your Own Tumbler" programme rewards customers when they use Starbucks Tumblers to purchase handcrafted beverages to reduce single-use plastics and paper cups.

BStarbucks and BFS have expanded their water management plan and conservation strategy to cover their agricultural supply chains and packaging. Water efficiency efforts include initiatives such as:

-  The Dairy Net Zero Initiative
-  Continued innovation in plant-based alternatives
-  Increasing reusable packaging options
-  Reducing water use in single-use packaging production

BStarbucks and BFS are also committed to responsible sourcing, which extends to water management. The companies support and participate in initiatives seeking co-benefits for water and climate through reforestation, agroforestry, regenerative farming and broader ecosystem restoration efforts.

### POLLUTION MANAGEMENT

#### BFood's Commitment to Addressing Pollution and Waste

COMMITMENT
<ul style="list-style-type: none"> <li>Identifying resource consumption and waste generation</li> <li>Minimising their impact while enhancing overall efficiency</li> </ul>
ACQUIRED BY
<ul style="list-style-type: none"> <li>Assessing water and energy performance to reduce them at the source</li> <li>Modifying processes, substituting materials, conserving resources, and promoting recycling and reusing where feasible</li> </ul>

BFood's pollution management strategy minimises resource consumption and cuts material costs through daily operations that use fewer resources. The Company is committed to managing its resource use and reducing waste generation to lower the volume and toxicity of waste produced, enhancing overall environmental sustainability.

### WASTE MANAGEMENT

Operating in the food and beverage industry, BFood typically generates various waste, including solid and food waste, such as used food and beverage single-used plastic packaging. Adopting a proactive approach to waste management addresses these challenges.

BFood's strategy emphasises reducing waste at the source by implementing efficient practices and minimising the amount of waste produced. The Company also prioritises recycling to divert as much waste as possible from landfills by sorting and processing recyclables.

BFood strategically places recycling bins throughout the office. This dual focus on waste reduction and recycling helps manage its environmental impact, promotes sustainability and contributes to a circular economy.



## Sustainability Statement

### BFood's Creative Waste Management Revolution

#### BStarbucks and BFS



- BStarbucks' "Bring Your Own Tumbler" programme rewards customers with a RM2 discount and BFS with BND 1 discount when they use Starbucks Tumblers to purchase handcrafted beverages at all Starbucks stores, with 624,947 beverage purchased using Starbucks tumblers.
- BStarbucks introduced various initiatives to reduce single-use plastics, such as reusable hot and cold cups, bags and loop straws. Charges are applied when straws and paper shopper bags are requested.

*Vision is clear: The Company empowers customers to make environmentally conscious choices during every Starbucks visit worldwide, whether enjoying their coffee in the café, using the drive-thru, or utilising mobile order and pay services. One of Starbucks' strategies to reduce single-use cup waste in its stores is to reward customers for reusable drinkware.*

#### BRoasters



BRoasters sells its used cooking oil to a licensed third-party vendor for recycling into biodiesel, an environmentally-friendly alternative to traditional fossil fuels such as petrol and diesel.

BRoasters launched a game-changing waste management strategy, shifting from plastic to paper for its takeaway packaging. In December 2023, BRoasters changed plastic bags to paper bags for all take-away and delivery orders. While a few stores may still be using plastic bags to deplete their stock-on-hand, the majority already migrated to using paper bags. The Company also replaced single-use three-compartment plastic boxes with its i-care eco-friendly paper alternatives. This transformation reduces the environmental impact of single-use plastic and highlights dedication to a more eco-conscious waste management approach.

#### Ser Vegano



Ser Vegano uses takeaway paper boxes at all SALA outlets and offers customers a RM0.50 discount for bringing their own containers. This initiative encourages customers to reduce the use of single-use packaging by opting for reusable containers.

#### BPB



BPB sells its used cooking oil to a license third-party vendor for recycling into biodiesel. BPB also sends all the packaging cartons to a recycling centre to repurpose the paper waste.

## Sustainability Statement

### ENVIRONMENTAL INITIATIVES

#### Starbucks Support Center ("SSC") Spring Cleaning & Garage Sales 2024

In January 2024, SSC organised its annual "Spring Cleaning" activity to clean, reorganise, and refresh the workplace while promoting recycling and reducing landfill waste. As a result, 132.8 kg of materials, including paper, cardboard, plastic, and e-waste, were collected and recycled. Additionally, BStarbucks employees ("partners") donated 200 used takeaway food containers to What A Waste ("WaW"), which will be repurposed during food rescue operations to reduce waste and single-use plastics for the underprivileged. SSC employees ("partners") also contributed pre-loved items to the 'Treasure Box', allowing others to pick up needed items.



#### Celebrate Earth Hour at Starbucks!

This year, BStarbucks and BFS supported their 17<sup>th</sup> and 10<sup>th</sup> Earth Hour by turning off lights at all stores and the Starbucks Support Center ("SSC") office for an hour. BStarbucks supported Pavilion Damansara Heights Mall to organise an eco-friendly workshop this year. The workshop educated customers on innovative uses for used coffee grounds, a byproduct of Starbucks' daily operations. During the event, BStarbucks donated 84 kg of used coffee grounds to customers, encouraging active participation in combating climate change. Recycling coffee grounds, conserving energy and other small actions contribute to the collective effort to protect the planet for future generations.

In conjunction with Earth Day, BStarbucks partnered with Citta Mall for the H.O.P.E. [Helping Our Planet Everyday] campaign, from 17 to 22 April 2024 to raise awareness about environmental issues and promote sustainable practices within the community. The event featured various sustainability-focused activities, including a conservation workshop and other initiatives to educate the public and reduce waste. Employees ("Partners") from BStarbucks Citta Mall packed and donated used coffee grounds and empty milk cartons to support recycling and reduce landfill waste.



BStarbucks employees ("partners") celebrating Earth Hour by switching off the lights in the store for one hour.

## Sustainability Statement

### EMPOWERING PEOPLE, EMPOWERING US

**BFood places people at the heart of its operations. The Group prioritises employees ("partners") well-being through comprehensive wellness programmes and continuous professional development opportunities. Fostering an inclusive and diverse workplace ensures all employees ("partners") are valued and given equal opportunities to succeed. The Group's identity as a "people company" is deeply embedded across all brands, creating a respectful workplace and fostering an environment of collaboration.**

#### LABOUR STANDARDS

The Group's code of conduct outlines labour standards and expectations rigorously enforced across all brands. Management ensures effective global communication by translating essential information into the appropriate languages for all employees ("partners").

BFood has established clear grievance channels to address issues such as harassment and discrimination. Employees ("Partners") are encouraged to raise concerns with their immediate superiors for informal resolution and can escalate unresolved issues to a formal grievance procedure if necessary. At BStarbucks and BFS, the Partner Voice Programme offers a dedicated internal communication channel for reporting grievances related to the working environment and co-worker. The Company is committed to addressing all grievance reports within two weeks of receipt, ensuring timely and effective resolution of issues.

BFood actively participates in workshops to improve labour standards solutions within Malaysia. BStarbucks, BFS and BRoasters risk assessment process includes periodically reviewing the labour practices of existing and potential business and supply chain partners. This due diligence involves regular updates and ensuring all parties know the Code of Conduct and Human Rights and Labour Standards Policy, aligning with the Group's ethical standards.



*BStarbucks and BFS partners attended a two-day Starbucks Leadership conference.*



*BStarbucks employees ("partners") celebrated International Women's Day 2024 on 8 March 2024 by participating in the Purple Power Project and conducted coffee tasting session with their customers, featuring Starbucks Sumatra coffee to celebrate the remarkable women behind it.*

#### HARMONY IN DIVERSITY

BFood fosters respect and non-discrimination in all aspects of employment, including hiring, training, working conditions, compensation, benefits, promotions, discipline, termination, and retirement. This commitment ensures that decisions are made without regard to gender, race, age, religion, political beliefs, social or ethnic background, sexual orientation, disability, cultural heritage, or any other factor unrelated to job performance.

BFood's Code of Conduct highlights its dedication to fairness and equality, featuring specific policies

such as the Diversity and Inclusion Policy, which ensures fair treatment and prohibits discrimination. BFood is dedicated to ensuring gender pay equity by striving to achieve 1:1 ratio, ensuring male and female employees ("partners") receive equal compensation for their roles.

The Group is also committed to providing equal opportunities for underprivileged individuals, including those from disadvantaged backgrounds or without formal education. Apprenticeships and graduate placement programmes help BFood address youth unemployment and foster workforce inclusion and development.



## Sustainability Statement

### Different Together: What Makes Us Unique

The Starbucks Signing Store is an innovative concept designed to meet the needs of the Deaf and Hard of Hearing community. Currently, three Signing Stores across Malaysia employ 18 Deaf and Hard of Hearing employees ("partners"). Every detail of a Signing Store reflects Starbucks' commitment to creating an inclusive and enriching environment, from thoughtfully designed touchpoints tailored for the Deaf and Hard of Hearing to the spacious café area ideal for community workshops.

These stores foster a supportive environment where experienced Deaf partners and store managers provide on-the-job training on Standard Operating Procedures ("SOPs") and protocols to new Deaf baristas. Offering an extended training period ensures Deaf and Hard of Hearing partners can learn comfortably.

BStarbucks also collaborates closely with Deaf NGOs for training and development, including interpretation services, and offers Malaysian Sign Language for hearing employees ("partners"). Fourteen Deaf employees ("partners") are certified through Starbucks' Coffee Master programme, with some achieving the Advanced Master of Coffee qualification.



The Starbucks Signing Stores empowers its Deaf and Hard of Hearing talents to thrive professionally, and personally.

### INTRODUCING THE THIRD SIGNING STORE IN MALAYSIA



On 17 August 2023, BStarbucks proudly announced the inauguration of its first Signing Store in Borneo, located at Vivacity Megamall, Kuching. This store marks a significant milestone in the market as the third Signing Store in Malaysia after Kuala Lumpur and Penang.

BStarbucks works closely with the Sarawak Society for the Deaf ("SSD") to provide professional Malaysian Sign Language ("BIM") interpretation services and to host various activities for the Deaf and Hard of Hearing community – providing a platform where they can gather to share ideas, learn more about job opportunities, or connect on current issues.

Inside this third Signing Store is a captivating mural by Deaf artist Madang Ding Anyi, from the Orang Ulu community in Sarawak, celebrating the coffee-growing essence of Asia Pacific and depicting the flora of Borneo. This artwork reflects the brand's commitment to endorsing local artists, including those with disabilities. Collaborations with Deaf artists on exclusive, commissioned artwork featured in Signing Stores and core Starbucks® stores exemplify this commitment.

"Creating a space that truly embraces diversity and empowers the Deaf and Hard of Hearing community has been a journey close to our hearts. Through this store, we aim to create a welcoming environment that not only offers exceptional coffee but also fosters a sense of belonging and equal opportunity." - Dato' Sydney Quays



BStarbucks opening launch of its first Signing Store in Borneo, located at Vivacity Megamall, Kuching.

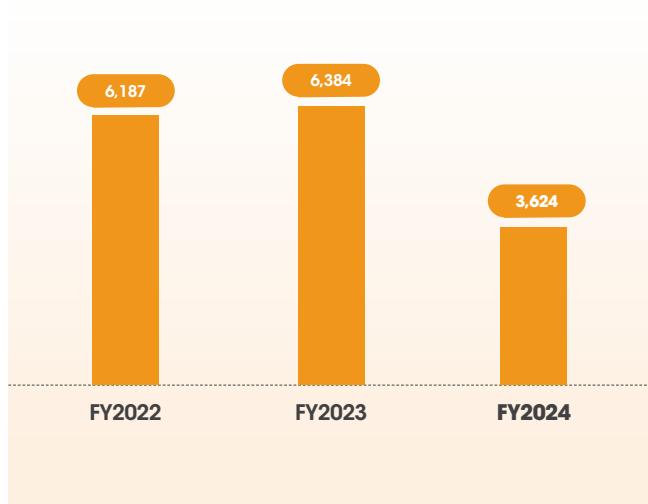


Coffee tasting conducted by Deaf and Hard of Hearing Coffee Masters.

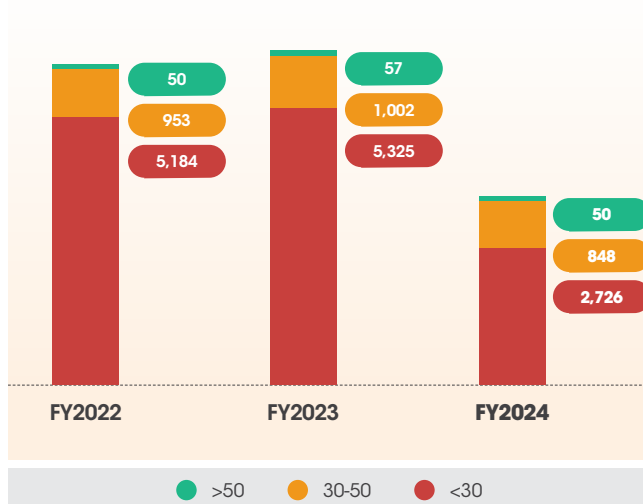


## Sustainability Statement

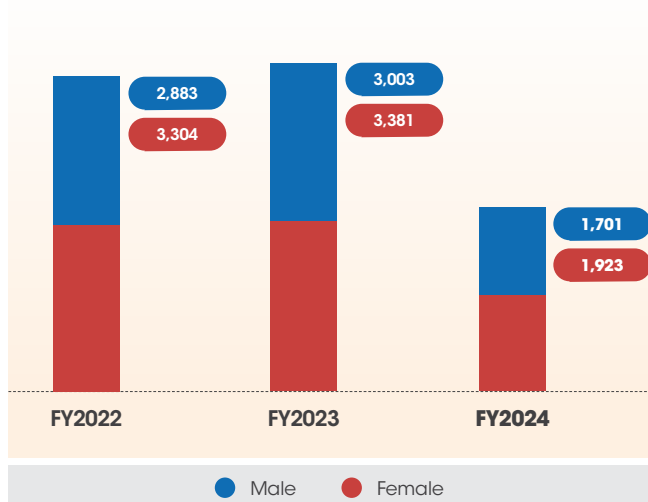
### Total Workforce



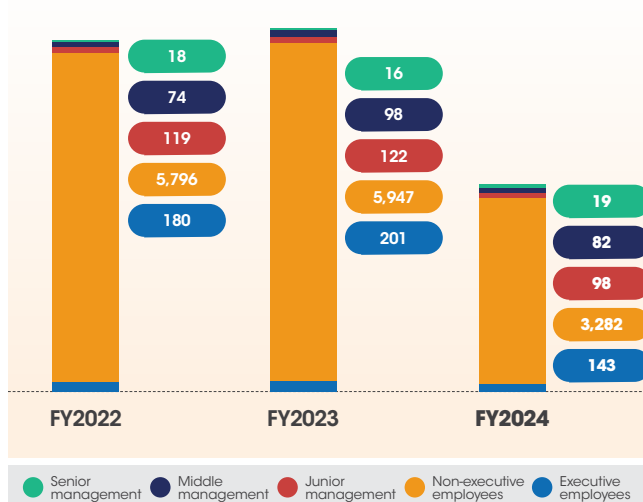
### Workforce by Age



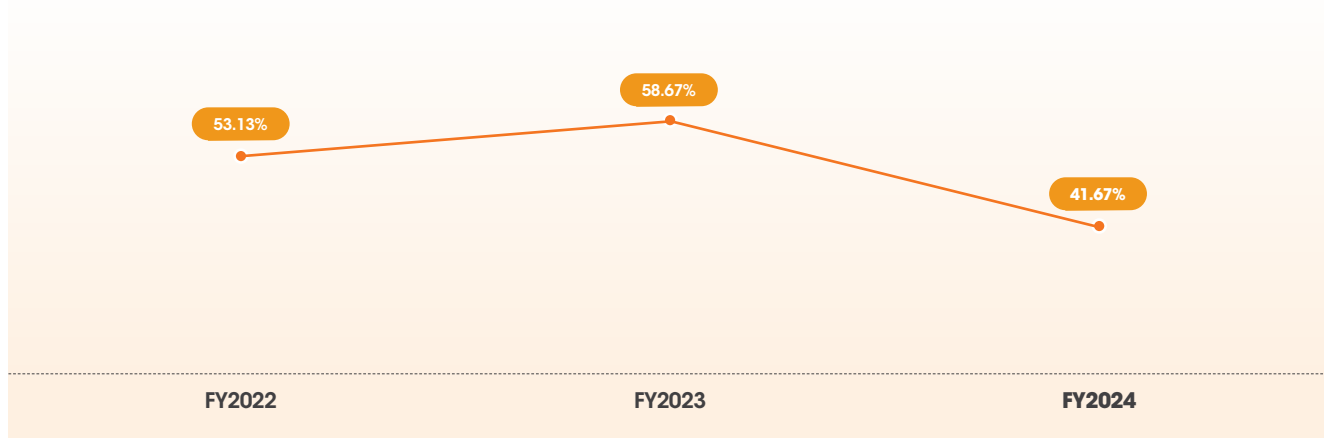
### Workforce by Gender



### Workforce by Employee Category



### Workforce Turnover



## Sustainability Statement

### REWARDING OUR PEOPLE

BFood provides competitive benefits and remuneration to its employees ("partners"). The Group offers a comprehensive benefits package that includes various leave options, insurance coverage, medical support, allowances, and retirement plans.

BFood recognises and rewards employees ("partners") contributions with retirement benefits beyond standard EPF contributions. For example, BStarbucks provides a retirement gratuity plan that rewards employees ("partners") upon reaching 60 while they are still actively employed. Additionally, BPB employees ("partners") can participate in a Private Retirement Scheme ("PRS"), offering flexibility and control over their retirement savings.

BFood provides comfortable accommodation for employees ("partners") living far from work, ensuring their well-being and convenience. The Group offers separate housing for male and female employees ("partners"), including landed houses, condominiums, and apartments, all with solid safety and security features. BPB employees ("partners") at the Genting outlet benefit from free lodging in a 3,700-square-foot apartment with covered utilities. Similarly, BStarbucks employees ("partners") stationed in remote areas like Genting Highlands and airports receive accommodation at Company hostels. All Group housing complies with JTK's Act 446, guaranteeing that employees ("partners") housing and amenities meet minimum standards.

The Human Resources team at BFood regularly performs market comparisons to ensure that their benefits and remuneration packages exceed industry standards. This year, BStarbucks introduced notable enhancements, including reinstating the Employee Beverage Programme and transitioning to a five-day work week for retail staff, providing all employees ("partners") an additional weekly rest day for Convenience, Comfort, Safety and Ultimate Well-being.

### ENDLESS OPPORTUNITIES TO GROW

BFood prioritises comprehensive internal and external training programmes tailored to each brand's needs. For example, BRoasters' internal training focuses on food handling, order management and total quality management. Each restaurant has facilitator guides, reference materials and Q&A resources to enhance employees ("partners") skills in managing orders and ensuring a seamless customer experience. Training also covers Halal practices, product knowledge and IT.

BStarbucks offers a diverse training regiment that includes customised functional training, international exposure and core division-wide activities. These programmes develop consistent approaches and values across the organisation, aligning all employees ("partners") with the Starbucks brand's standards and practices.



*BPB conducts grooming and personal hygiene training for its newly hired employees ("partners").*

## Sustainability Statement

### Examples of BStarbucks Training Programmes Held in FY2024

Internal	<ul style="list-style-type: none"> <li>• Train the Trainer</li> <li>• Balance Scorecard Refresher Workshop</li> <li>• Espresso Bar Training</li> <li>• SEED: Business Essentials</li> <li>• Business Acumen and Problem Solving</li> <li>• Basic Occupational First Aid, CPR &amp; AED Training</li> <li>• Create Amazing Reports &amp; Data Analysis with Report Simplified</li> <li>• Employment Law &amp; Industrial Relations</li> <li>• Facing The Media</li> <li>• Microsoft Office</li> <li>• Starbucks Experience Workshop</li> <li>• Shift Manager Workshop</li> <li>• Store Manager Trainer Workshop</li> </ul>
External	<ul style="list-style-type: none"> <li>• ASEAN Barista Team Championship 2024</li> <li>• Barista &amp; Brewing Bootcamp</li> <li>• Berjaya Tax Seminar on Budget 2024</li> <li>• BFM BRANDFEST 2023</li> <li>• Competition Intensive Approach: Foundation, Advanced Application, Concept Application and Routine Application</li> <li>• Data to Business Story</li> <li>• Malaysia Madani: Empowering Tomorrow's Workforce Through Revolutionary Progressive Wage System</li> <li>• National Human Capital Conference &amp; Exhibition</li> <li>• OSH Train the Trainer Competency Based Programme</li> <li>• Project SILK (Communication Skills &amp; Computer Literacy)</li> <li>• SCA Brewing Skill Intermediate</li> <li>• SCA Sensory Skill Intermediate</li> <li>• Seminar on Service Tax</li> </ul>
Personal Development	<ul style="list-style-type: none"> <li>• Leading People Workshop</li> <li>• Passion to Learn</li> <li>• Effective Communication</li> <li>• Thinking Fundamentals</li> <li>• Personal Mastery</li> <li>• Group Coaching</li> <li>• The Manager Mindset</li> <li>• Leading High-Performance Teams</li> <li>• Tactical and Analytical Thinking</li> <li>• Communication for Managers</li> </ul>

## Sustainability Statement

### Starbucks® CODEMY

The Starbucks® CODEMY platform was officially launched on 1 October 2023. It is the first Learning Management System ("LMS") for BStarbucks and BFS, a modern, multidimensional web and mobile platform that revolutionises learning, growth and development. This platform provides a digital experience and a dynamic learning ecosystem, enhancing employees ("partners") opportunities for learning and development.



### Uplift!

Uplift! is an initiative to foster a recognition-rich culture and enhance employees ("partners") engagement alongside continuous learning through the Starbucks® CODEMY. The programme digitally rewards positive behaviours to:



**Build Stronger Teams:** Empower peer and direct report recognition.



**Boost Engagement:** Make recognition and social pulse checks fun, real-time and impactful.



**Amplify Learning:** Reinforce continuous learning with spot rewards.



**Enhance Retention:** Reduce turnover by ensuring employees ("partners") feel valued.

Launched in January 2024, the first phase of the Uplift! App was rolled out to Starbucks Support Center ("SSC"). The app features a point-based reward system (Silver and Gold Beans), a feed for recognition activities, and the Green Apron Card for rewards. High adoption rates were observed, with an employee ("partner") winning an iPhone 15 in an April 2024 raffle.

### The Starbucks Barista Regional Championship

In June 2024, 27 of the most talented Starbucks baristas from the Asia Pacific and Japan gathered in Hong Kong to vie for the Regional Barista Champion and Latte Art Champion titles. The prestigious Asia Pacific Regional Barista Championship event honoured the dedication, skill, and passion of BStarbucks employees ("partners") for the eighth year. Over four days, competitors from 14 markets showcased their coffee expertise and creativity. During their 15-minute presentations, finalists executed Pour Over, Latte Art, and Signature Beverages while narrating the stories behind their unique creations.

A crowd of 480 Starbucks employees ("partners") and 13,000 coffee enthusiasts cheered as baristas showcased their skills. After a rigorous competition, Kent Hogan Jaideh (Kenny) was honored as the '2024 Top-3 Starbucks Regional Asia Pacific Barista Champion'. His presentation, reflecting a deep passion for coffee, showcased his expertise in balancing ingredients and presentation. As a prize, Kenny was rewarded with a trip to Hacienda Al-Sacia, Costa Rica, for a Coffee Engagement immersion trip, including visits to the Starbucks Coffee farm and Farmer Support Center. This Costa Rica trip is a coveted reward for the top baristas in Asia Pacific.

In May 2024, Kenny also competed in the Malaysia National Coffee Championships organised by the Malaysia Specialty Coffee Association, where he ranked #8, placing BStarbucks among the Top 10 Cafes (Specialty Coffee) for the year.



Kenny (on the left) presenting at the Starbucks Regional Barista Championship in Hong Kong.



## Sustainability Statement

### Coffee Master Programme

BStarbucks employees ("partners") passion and knowledge about coffee sets the Company apart, driving connection and making the Starbucks Experience spark joy. BStarbucks introduced the Coffee Master programme and black aprons approximately 20 years ago as a special designation for global employees ("partners") who are experts in coffee knowledge.

As of 30 June 2024, BStarbucks has developed a community of 1,742 Certified Coffee Masters (1,726 from BStarbucks and 16 from BFS) through engaging and rigorous training. Upon completion, these experts will then move on to the Advanced Coffee Master level where they have to complete six certifications—Latte Art, Pour Over, Chemex, Siphon, Clover, and Black Eagle.



*BStarbucks and BFS Coffee Masters competing at the Starbucks Brewers Throwdown 2024. This competition showcases our employees' ("partners") brewing skills and brewing performance.*

### Succession Planning: Starbucks Exceptional Executives Development ("SEED")

BFood prioritises succession planning and talent development through programmes such as the SEED and the Starbucks Managers Acceleration & Readiness Training ("SMART") 1 and 2. These initiatives reflect a solid commitment to nurturing the next generation of leaders within the organisation.

These dynamic, accelerated programmes for high-potential senior employees ("partners") include those at the senior executive, assistant manager and manager levels.

### Range of Topics Covered by the Curriculum



These modules equip future leaders with the skills and knowledge necessary to excel in their roles and drive the organisation forward.

## Sustainability Statement



A total of 22 employees ("partners") graduated from the six-month Starbucks Exceptional Executives Development talent pool programme. In total, they have completed:



### Starbucks Managers Acceleration & Readiness Training 1 (SMART 1)

Currently, 15 employees ("partners") are participating in the SMART 1 talent pool programme, which is scheduled to conclude in January 2025.

### Starbucks Managers Acceleration & Readiness Training 2 (SMART 2)

The SMART 2 is a 15-month accelerated development programme for high-potential managerial employees ("partners") scheduled to begin in the first quarter of 2025.

### BRoasters Empowering Excellence Through Collaborative Training

BRoasters introduced several internal training programmes to enhance management skills. Forty-five participants finished a rigorous 360-hour Train the Trainer Program ("TTT") for Managing Ordering Development. This programme enhances current managers' ordering skills and equips them to train their successors effectively. Each restaurant receives facilitator guides, reference materials, and Q&A resources to support and expand their ordering management expertise.

23 participants also completed the Shift Management Programme training. This ongoing programme helps new and current managers run their shifts more efficiently by focusing on problem-solving skills and including activities to evaluate their current learning progress.



## Sustainability Statement

### SAFETY FIRST ALWAYS

Safety is a top priority and with a policy established at group level. However, BStarbucks, BFS and BRoasters have established their own set of safety guidelines. These guidelines address individual safety risks, priorities and approaches tailored to specific needs. Each brand identifies its unique risk areas and implements targeted strategies to mitigate them, ensuring that safety protocols are relevant and practical. The ultimate goal is to provide a workplace and environment that is good and safe for employees ("partners") and customers.

BStarbucks, BFS and BRoasters have established a Safety and Health Committee and an Emergency Response Team to manage potential emergencies. At the brand level, the Managing Director, Dato' Sydney Quays, who also serves on the Board, leads the Safety and Health Governance.

BFood conducts regular safety audits and risk assessments. For example, at BStarbucks, Partner & Asset Protection Audits conducted The Generic Chemical Health Risk Assessment ("GCHRA") covering 400 stores across Malaysia, with physical assessment at six stores on January 2024 found no significant issues.



Group photo of BRoasters employees ("partners") participated in a fire drill exercise.



BRoasters employees ("partners") attended a safety talk.

Safety measures are particularly critical in the food and beverage industry due to the specific risks associated with kitchen operations and food preparation. The Group prioritises using personal protective equipment ("PPE"), including covered shoes, head cover, aprons, and gloves. Additional safety measures include:



Providing nitrile gloves in stores for employees ("partners") when handling chemicals



Revamping mandatory first-aid kit items by removing Burn-Aid cream and introducing bandage scissors, triangular bandages, and gauze swabs from FY2025



Introducing cabinet warning stickers for overhead cabinets in the manager's workstation to prevent falls due to overloading - these stickers are ready for printing and are pending implementation in stores

### Safety Training

Common safety topics generally include ergonomic safety, hot water burn injury treatment, fire safety, first aid and chemical safety. Each brand delivers a customised safety training agenda tailored to its specific risk areas. For instance, BStarbucks conduct first-aid training for Safety and Health Committee ("SHC") members and Starbucks Support Center ("SSC") fire marshals in April and May 2024 further demonstrated its commitment to maintaining a safe and healthy work environment.

BStarbucks also provides Food Handler Training for all new employees ("partners") and SSV Food Safety Training for newly hired or promoted shift employees ("partners"). In September 2023, BStarbucks hosted Food Safety Awareness Month to foster a strong food safety culture among cross-functional departments. The event promoted ownership of food safety through engaging activities such as knowledge refreshers, games, quizzes, and interactive sessions.



## Sustainability Statement

### HIGHLIGHTS OF FOOD SAFETY AWARENESS MONTH



BStarbucks Quality Assurance Department has organised weekly activities throughout Food Safety Awareness Month in September 2023, including:

- Weekly knowledge content on topics such as Personal Hygiene, Temperature Control, Pest Control, and Contamination
- Quizzes that partners can participate in each week

Starbucks Support Center ("SSC") Malaysia was awarded first runner-up in the Asia Pacific Regional Handwashing Video Competition. The Starbucks Kuala Kangsar store won the Best Story Award for its fun and interactive video on when and how to wash hands.

### Health and Safety in the Supply Chain

All BStarbucks and BFS suppliers must adhere to the Global Food Safety Initiative ("GFSI"), which outlines the minimum standard expected for providing goods and services with the following:



Safe and humane working conditions



Adequate training for employees ("partners")



Access to effective protective equipment and sanitary facilities for food storage

Suppliers must also construct and maintain facilities in compliance with applicable laws and regulations. Accommodation must be clean, safe, and respectful of workers' dignity.

### BFOOD'S SUPPORTIVE INITIATIVES FOR MENTAL WELL-BEING

BFood prioritises employee ("partner") well-being through a range of engaging activities. A dedicated area in Starbucks Support Center ("SSC") provides relaxation spaces with various board games.

Professional support is available to address employees ("partners") well-being and grievances confidentially through a secure, anonymous reporting channel. BStarbucks partners with PERKESO on Return to Work programmes, offering a supportive environment to help employees ("partners") regain their emotional and social well-being after traumatic experiences.

In conjunction with Starbucks Wellness Week, BStarbucks organised a workshop titled "Managing Your Stress & the Power of Positivity" for Starbucks Support Center ("SSC") employees ("partners"). The workshop aimed to improve mental well-being by teaching practical techniques such as breathing exercises and meditation.



### PRIDE AND PURPOSE IN THE WORKPLACE

BFood developed a structured programme with leading external and internal expertise. This clear framework facilitates effective engagement, building on the value of 'ownership' and affirming BFood as one of the best employers globally.



## Sustainability Statement

### BFood People Management Identities

	Awareness campaigns
	Specific training programmes
	Recognition of best practices
	Creating a culture of shared accountability

At BFood, unity and engagement are top priorities. The Group celebrates each milestone and event, including employees ("partners") birthdays, festivals, and achievements, to foster an inclusive work environment. Well-defined structures and targets support this commitment to employee ("partner") engagement, encompassing regular feedback mechanisms, open communication channels, performance reviews, mentoring programmes, and team-building activities.

### Examples of Engagement Initiatives

	Team-building activities	Skill development workshops	
	Sports games	Festive celebrations	
	Appreciation events	Transparent communication	
	Wellness and well-being activities	Town halls and get together	

BFood enhances employee ("partner") satisfaction scores, reduces turnover rates and boosts participation in internal events. By actively celebrating milestones and providing a supportive environment, the Company strives to create a workplace where everyone feels valued and motivated.

## RESPECTING HUMAN RIGHTS

**BFood is committed to respecting all individuals' human rights, dignity, and well-being, including employees ("partners"), supply chains, and local communities. Local and international standards guide the Group's human rights practices, including the United Nations Guiding Principles on Business and Human Rights ("UNGPR"), the International Bill of Human Rights and BFood's Code of Conduct.**

The Group complies with all applicable employment and human rights regulations in its operating regions and expects its suppliers to do the same. All Group companies, contractors and suppliers must adhere to these social principles.

BFood promotes an inclusive culture and ensures that its hiring, training, promotion, and career opportunities are free from discrimination based on race, gender, sexual orientation or age.

### Principles and Codes in Addressing Human Rights Salient Risks in the Food and Beverage Industry

<p><b>1 Child Labour and Access to Education</b></p> 	<p>BFood supports children's rights through stringent anti-child labour practices that comply with local laws.</p> <p>BFood adheres to Children's Rights and Business Principles and has implemented internal monitoring mechanisms to prevent child labour. These measures ensure that the recruitment age of employees ("partners"), including those in the supplier network, meets legal standards.</p>
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## Sustainability Statement

<b>2 Forced Labour and Responsible Recruitment</b> 	<p>BFood is committed to upholding ethical labour practices. The Group adheres to local labour and immigration laws when employing foreign or migrant workers and strictly rejects forced, prison, bonded or involuntary labour.</p>
<b>3 Local Employment</b> 	<p>BFood is deeply committed to local employment, prioritising local hiring and supporting the local community's economic growth.</p>
<b>4 Fair Pay and Compensation</b> 	<p>BFood is dedicated to fair pay practices, conducting market pay research to ensure compensation exceeds the living wage. The Group also regulates overtime to prevent excessive working hours and promote a healthy work-life balance. BFood upholds the principle of 'equal pay for equal work' following local laws,</p>
<b>5 Equality, Non-discrimination and Non-harassment</b> 	<p>BFood enforces a stringent policy against discrimination in hiring and employment practices, regardless of gender, race, religion, age, disabilities, sexual orientation or nationality. The Group is committed to fostering a culture of non-harassment and treating all employees ("partners") with fairness, dignity and respect.</p> <p>BFood actively enhances workforce diversity through diversity training, inclusive hiring practices, and promoting equal opportunities for individuals of all races, religions, genders, ages, sexual orientations, disabilities and nationalities.</p>
<b>6 Safety and Health at Work</b> 	<p>BFood prioritises the well-being of its employees ("partners") by providing a safe and health-conscious work environment. Comprehensive safety protocols and wellness programmes promote physical and mental health, enhancing employee ("partner") satisfaction and productivity.</p>
<b>7 Freedom of Association and Collective Bargaining</b> 	<p>BFood adheres to the Industrial Relations Act 1967 and respects local laws that protect workers' rights, allowing them to bargain collectively under International Labour Organisation ("ILO") standards. All employees ("partners") are free to join any organisation of their choice, and the Group supports them in addressing any issues they may raise.</p>



Starbucks Townhall Wellness Week features a series of fun, engaging, and educational activities that was aimed at promoting a healthier lifestyle and sharing wellness insights.

### Grievance Mechanism

BFood establishes effective grievance mechanisms to address and remedy adverse human rights impacts. The Group's speak-up channel allows individuals and employee ("partner") representatives to engage with company management and report concerns anonymously if preferred.

Dedicated personnel receive training on handling reports and instances of bullying, harassment, bribery, financial irregularities and other offences.

During this reporting period, BFood recorded no human rights incidents.



## Sustainability Statement

### COLLECTIVE IMPACT FOR THE COMMUNITY

**BFood is a customer-centric organisation that believes in the boundless potential of human connection. The Group aims to be a transformative leader, guided by a vision that prioritises human values at the heart of its operations. This dedication supports their commitment to positively contributing to every community they serve.**

BFood carefully designs community programmes with a focus on societal and environmental impact. The Group builds on its reputation as a caring brand by aligning its community investments with the Group's overall strategy. BFood's community investment focus areas include community partnerships, nutrition education, food access, youth development, disaster relief, and fostering healthier, more resilient communities.



Each brand actively supports the communities where it operates through partnerships and engagement. BFood encourages employees ("partners") to participate in community initiatives and recognises and supports their voluntary contributions to local causes. BStarbucks Malaysia garnered significant recognition for its impactful community efforts. The Company has earned two prestigious accolades at the Sustainability & CSR Malaysia Awards 2023.

1. The Company was honoured with the "Company of the Year (F&B Retail) - Community Engagement Award" for its outstanding Starbucks Upcycled Flavorlock™ Pouch project, highlighting its commitment to environmental sustainability and community involvement.
2. Dato' Sydney Quays, Group CEO of Berjaya Food Berhad and Managing Director of Starbucks Malaysia, received the "Personality of the Year - Sustainability Leadership Award". This award recognises Dato' Sydney's exceptional leadership in advancing ESG initiatives within the F&B retail sector.

BStarbucks has again been honoured by the AMCHAM, receiving the Certificate of Recognition for Excellence in CSR for the sixth consecutive year at the MY AMCHAM CARES 2023 award during their Thanksgiving Luncheon on 22 November 2023. This annual event celebrates AMCHAM members who excel in sustainable corporate citizenship. It acknowledges commitment to integrating business operations with societal needs, creating long-term economic and social value. BStarbucks' repeated recognition underscores its consistent dedication to impactful CSR practices and its role in fostering positive community and environmental outcomes.



### Humanitarian, Compassion and Crisis Solidarity

The situation in Palestine has long been marked by conflict and hardship, creating urgent needs for medical supplies, food, and necessities. As a global corporation committed to social responsibility, BFood understands the critical importance of providing aid where it is most needed.

Supporting Palestine aligns with the Group's values of compassion and solidarity, ensuring that their contributions make a meaningful impact on those facing ongoing challenges. In October 2023, BStarbucks donated RM1,000,000 to Akaun Amanah Kemanusiaan Rakyat Palestin ("AAKRP"), a fund established by the Government of Malaysia. This donation will procure essential medicine, food, drink, and basic facilities for those in need.



## Sustainability Statement

### 14<sup>th</sup> Starbucks Global Month of Good

Every April, Starbucks employees ("partners") from around the world unite to advance the Company's mission and promises by positively impacting the planet and their communities during Global Month of Good (GMOG). In 2024, marking the 14<sup>th</sup> GMOG, the celebration involved collaborating with local community organisations to leverage the Company's scale for positive change.



#### 14<sup>TH</sup> GMOG HIGHLIGHTS

- With WaW, 68 partners volunteered and contributed 544 community service hours to prepare 1,420 packs of *bubur lambuk* made with rescued ingredients for distribution to B40 communities in Puchong, Selangor.



From left: Rina Siew, Head of Sustainability & Social Impact; Louise Chin, BFood Chief Financial Officer; Dato' Fazley Yaakob, Celebrity Chef and Zakiah Hanim, Director of Marketing & Category cooking the bubur lambuk.

- BStarbucks collaborated with Soroptimist International Region of Malaysia ("SIROM") to establish an organic farm in Kampung Tegudon, Kota Belud, Sabah, funded by The Starbucks Foundation. BStarbucks employees ("partners") worked with local villagers to assist farmers with essential tasks. Fifty-seven volunteers contributed 171 community service hours. Additionally, BStarbucks donated 250 kg of used coffee grounds collected from its stores to support all 25 farmers involved.



- Since 2016, Starbucks Malaysia has partnered with The Society of Interpreters for the Deaf ("S.I.D") to support their Community Service Center for the Deaf ("CSCD"). Founded in 1995, CSCD focuses on education and skills training for Deaf and Hard of Hearing children and youths. S.I.D. has restored the centre with private and corporate donations, including proceeds from Starbucks' Jumbo Chocolate Chip Cookie sales since 2018. The new CSCD building will include a café operated by Deaf individuals and continued educational programmes. Starbucks Malaysia donated unused furniture for the café and classrooms. Twenty-eight employees ("partners") volunteered 84 hours for clean-up and furniture donation.





## Sustainability Statement

### Ending Hunger for Good

For the fifth consecutive year, BStarbucks has initiated the 'Zero Hunger' campaign to combat food insecurity among Malaysia's homeless and urban poor. In collaboration with Kechara Kitchen Soup, employees ("partners") gathered and donated essential groceries—such as rice, cooking oil, sardines, flour, instant oats, and other staples, specifically for the underprivileged *Orang Asli* community. Over two weeks, BStarbucks collected groceries worth RM7,000.00. 19 employees ("partners") volunteered their time for packing and distribution activities, contributing 57 community service hours. BStarbucks donated 51 care packs to Kechara Kitchen Soup for distribution to underprivileged families in the *Orang Asli* community in Bentong, Pahang.



Food rescue redirects edible food from waste disposal to those in need, especially food-insecure populations. Food waste in landfills generates greenhouse gases that contribute to global warming. By reducing food loss, BFood lowers emissions, eases environmental strain, boosts productivity and fosters economic growth.

On 8 May 2024, BPB distributed food to the community as part of their collaboration with What A Waste Malaysia ("WaW"). They donated 180 boxes of Dorayaki and 180 boxes of pound cake, benefiting a total of 800 people. The donations were allocated as follows: 250 servings to Sekolah Kebangsaan Padang Jawa, 200 servings to Sekolah Kebangsaan SS19 in Subang Jaya, and 350 servings to Tadika Sri Kemas 1 & 2, also in Subang Jaya. As part of the Food Rescue project, BStarbucks partnered with WaW to celebrate the festive season through collaborative initiatives. They prepared healthy

Yee Sang using fresh, surplus, and rescued ingredients, involving 20 employees ("partners") who contributed 60 community service hours. The team made 200 servings of Yee Sang for orphanages, senior citizen homes and families with persons with disabilities ("PWD") in the Klang Valley. During Ramadan, 78 Starbucks employees ("partners") volunteered to make *bubur lambuk*, contributing 546 community service hours and distributing 1,330 bowls to ten beneficiaries, including Fire and Rescue Department of Malaysia ("BOMBA") and B40 families in the Klang Valley.



### Roasting for Happiness

BRoasters marked festive occasions by spreading joy to underprivileged communities. On 22 December 2023, BRoasters extended its outreach to Rainbow Home in conjunction with the Christmas season where 30 children and caretakers were treated with delightful Kenny Rogers meal packed in KRR reusable i-care box and bottled fruit juices.





## Sustainability Statement

### Support Cancer Fighter Through Laksamana Run 2023

BStarbucks supported the Laksamana Run 2023, a charity event organised by the Tunku Laksamana Johor Cancer Foundation ("TLJCF"). This event aimed to provide crucial support and care for cancer patients, advance research, raise public awareness, and improve cancer diagnosis and treatment. BStarbucks contributed in-kind donations, including vouchers and merchandise. Five employees ("partners") joined 5,000 participants in the 5-km night run, helping raise RM919,088 for cancer support. BStarbucks employees ("partners") contributed 20 community service hours and promoted a healthier lifestyle through exercise.



### Starbucks and HOPE worldwide Malaysia: Delivering Essentials, Empowering Futures

BStarbucks sponsored rental centres for HOPE worldwide Malaysia ("HOPEww") in Kuala Lumpur (Sentul Free Clinic) and Pulau Pinang for the second year. Expanding HOPEww's programmes led to the establishment of a new, spacious healthcare and education hub at Gat Lebuh Macallum, Penang. BStarbucks proudly supports HOPEww Malaysia at the grand opening of their new centre in Pulau Pinang. HOPEww is an international NGO aiding impoverished families and marginalised communities in health, food, education, volunteerism and corporate shared values.



HOPEww recognises BStarbucks as its long-time partner.

### Fun Walk "Together: We Care"

BStarbucks supported the "Together: We Care" fun walk organised by Pusat Khidmat Ahli Parlimen Tanjung on 21 January 2024. The event fostered community unity and raised awareness, celebrating and empowering everyone involved. Twenty-one BStarbucks employees ("partners") participated in the walk, contributing 63 community service hours. With nearly 2,800 participants, the two-kilometre charity run brought together individuals with special needs, their families and caregivers, friends, supporters, and activists, all walking in solidarity to support special needs individuals.



## Sustainability Statement

### Promoting Inclusivity Within the Communities

BStarbucks has a longstanding tradition of promoting inclusivity and actively supports various initiatives, demonstrating a strong commitment to social responsibility.

During the year, BStarbucks supported the 'LemmeConnect Inclusive Carnival', which focuses on equipping and empowering young adults with autism and other mild-to-moderate special needs for inclusion and employment. The Company were also invited to 'Sustainable Packaging for a Greener Planet Symposium 2023', bringing together experts and professionals to discuss environmental, social, and governance sustainability and eco-friendly packaging solutions. At both events, Starbucks highlighted its Signing Store concept and initiatives, emphasising the importance of fostering an inclusive environment for Deaf and Hard of Hearing individuals.



On a separate occasion, in conjunction with the International Week of the Deaf, BStarbucks hosted a Malaysian Sign Language (Bahasa Isyarat Malaysia or BIM) Workshop on 24 and 25 September 2023 at its Starbucks Signing Stores in Kuala Lumpur, Pulau Pinang, and Sarawak. The workshop introduced participants to basic BIM vocabulary and fingerspelling techniques, helping them build confidence and skills for daily conversations with the Deaf and Hard of Hearing community. 131 participants, including employees ("partners") and customers, attended the workshops across the three locations, showcasing the brand's commitment to empowering individuals with the ability to communicate effectively with the Deaf community.



BStarbucks supported The Colorful Run 6.0 for the fifth consecutive year. This charity run, organised by the Penang Deaf Association ("PDA"), advances the education and development of the Deaf community in Pulau Pinang. The Company made in-kind donations and had 29 employees ("partners") participated, contributing 145 community service hours. The event, which saw participation from 1,200 runners, brought together Deaf individuals, students from special education schools, and the public, raising nearly RM100,000 in funds.

BStarbucks participated in the SSD Charity Food Fair 2024, organised by the Sarawak Society for the Deaf ("SSD"). The Company sponsored 200 grande-sized frappuccinos for the event, which raised approximately RM150,000. This substantial contribution will benefit at least 3,000 Deaf individuals.





## Sustainability Statement

### Empowering Women in Addressing Critical Issues

Through The Starbucks Foundation, BStarbucks awarded Soroptimist International Region of Malaysia ("SIROM"), a non-profit organisation dedicated to empowering individuals from 25 families in Sabah. The grant will support sustainable organic farming in Kota Belud, addressing critical issues like food insecurity and limited economic opportunities. Funds will be used to establish and expand farms and provide additional support for complementary activities such as fish rearing, enhancing the overall economic stability of the community.



### Kota Kinabalu Cleanup Day

On 1 July 2023, Starbucks Malaysia, alongside residents, businesses and NGOs, participated in the KK Cleanup Day Suria Sabah programme organised by Kota Kinabalu City Hall ("DBKK"). This year was Starbucks' second involvement in the initiative to enhance the cleanliness of Kota Kinabalu's city centre.



### Upcycling for a Greater Cause

BStarbucks launched an upcycling initiative to address the environmental impact of single-use Flavorlock™ bags. Every pouch purchased, BStarbucks donates RM1 to YWCA KL's Vocational Training Opportunity Centre ("VTOC"), empowering young girls and women in B40 communities. Starbucks Malaysia will launch the second series of the Starbucks Upcycled Flavorlock™ Tote Bag in all stores in FY2025.



**166,390**

Starbucks Flavorlock™ donated by customers since FY2019



**9,147**

Starbucks Flavorlock™ pouches sold at stores since FY2022

In FY2024, the Company organised 15 volunteering sessions with 343 volunteers contributing 804 community service hours. The programme raises awareness about upcycling used coffee bags while supporting the B40 community through income-generating sewing projects. Additionally, 543.71 kg of used coffee grounds donated to YWCA KL's urban edible garden served as fertiliser for vegetables used in culinary courses.



## Sustainability Statement



### Impact on the Community

The Starbucks Flavorlock™ bag recycling initiative improves the livelihoods of the B40 community through social entrepreneurship. This collective effort started with the:



Donation of used Starbucks Flavorlock™ whole bean bags by customers in Starbucks stores across Malaysia; and



Young girls and women from the Young Women's Christian Association Kuala Lumpur ("YWCA KL") made the Starbucks Upcycled Flavorlock™ Pouch. The session exposed the volunteers to pouch processing, such as cutting the padding and fabric matching, which makes each of the Starbucks Upcycled Flavorlock™ Pouch unique.

### Promoting Healthy Eating Habits

In May and June 2024, Starbucks employees ("partners") and customers partnered with What A Waste ("WaW") for three volunteering sessions. 63 volunteers dedicated 275 community service hours, preparing nearly 800 salad bowls and 1,000 chicken wraps from rescued ingredients.

This initiative promoted healthy eating habits among children and teenagers, emphasising the importance of vegetables. Volunteers distributed the food to six

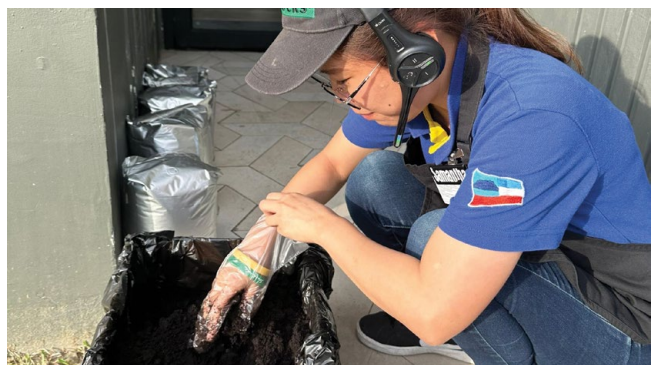
beneficiaries: Sekolah Kebangsaan Padang Jawa, Sekolah Kebangsaan SS19 Subang Jaya, Tabika Kemas USJ 1, Sekolah Menengah Kebangsaan Subang Jaya SS14, Taska Pasti USJ 1, and Court 2 Subang Perdana. This effort provided healthy food options and highlighted the importance of reducing food waste and supporting community welfare.



### Dryad's Grove: Used Coffee Ground Donation

BStarbucks reinforced its commitment to sustainability and community support by donating used coffee grounds to Dryad's Grove, a community group working to restore an abandoned orchid farm and garden in Kiansom, Kota Kinabalu.

In May and June 2024, two Starbucks stores in Sabah donated 858 kg of used coffee grounds. These grounds, which would otherwise be waste, are being repurposed to enrich the soil and provide essential nutrients, supporting the growth and health of the orchids and other plants in the garden.



## Sustainability Statement

### UNIFIED RESPONSIBILITY: SUSTAINABLE PRACTICES ACROSS OUR BRANDS




**BFood promises to enhance customers' everyday experiences by delivering exceptional food, beverages, and service each time they visit us. The Group celebrates its customers by offering diverse drinks and food options, each as unique as the individuals we serve.**

BFood advances its sustainability strategy to address critical global issues related to food waste, nutrition and food security. The Group builds a sustainable food system while ensuring that customers continue to enjoy high-quality and delightful products.

#### COMMITMENT TO STAR QUALITY AND JOLLY CONSUMPTION

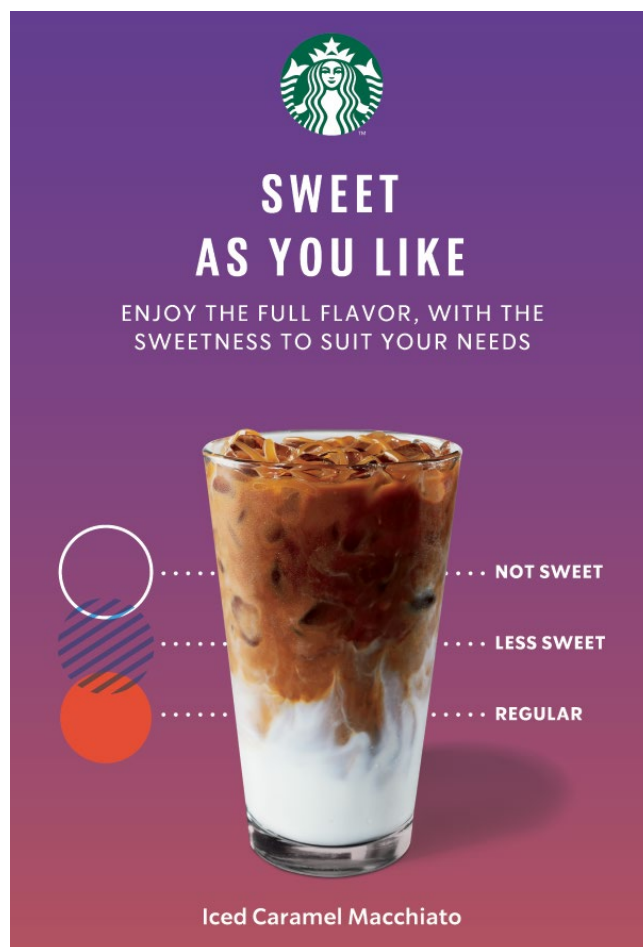
All foods and beverages are suitable for everyone. BFood ensures that all food products comply with food safety regulations. BFood rigorously reviews and verifies product specifications, ingredients, and nutritional information to ensure accuracy and adherence to Malaysia's Food Regulations.

Each ingredient and additive undergo a thorough Product Safety Review to confirm they are safe for use. Key safety measures include:

-  Sourcing all ingredients from GMO-free materials
-  Excluding artificial trans fats, including partially hydrogenated fats and oils
-  Prohibiting artificial colours and flavours

BFood's comprehensive approach guarantees safety and compliance. Conducting thorough product safety reviews for all new products to ensure they are safe, meet regulatory standards and are free from potential risks. The process involves identifying and managing safety risks throughout the supply chain before commercialisation.

The Group also considers the needs of vulnerable groups, including children, the elderly, individuals with allergies, and those with special dietary requirements.



Innovative ingredient enhancements enable the customisation and personalisation of crafted beverages, offering greater flexibility in delivering the Starbucks Experience to customers. Customers can now reduce sweetness while maintaining the full flavour of their chosen products. Additionally, customers can customise beverages with three sweetness levels: "not sweet", "less sweet", or "regular". This strategic initiative reflects the Company's commitment to promoting healthier choices by reducing sugar intake.

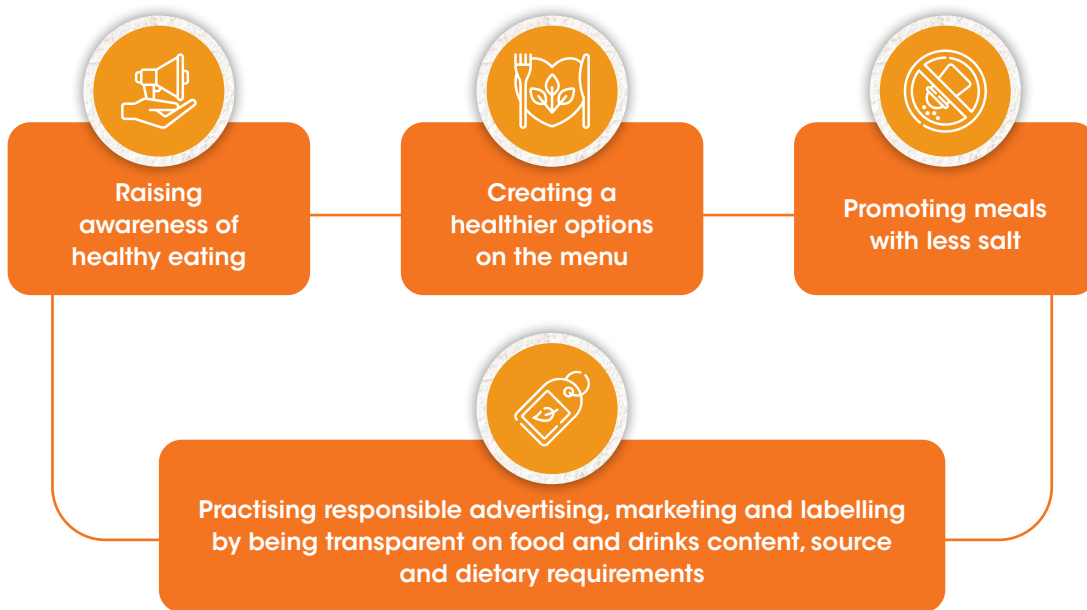


## Sustainability Statement

### EVOLVING OUR MENU: NOURISHING HEALTH WITH EVERY BITE

As part of the Group's initiative in promoting better dietary choices, BFood is expanding its menu with environmentally and socially responsible food and beverage options at attractive prices. BFood established a strategic plan with clear targets and goals to enhance access to better nutrition.

#### BFood's Strategic Plan to Tackle Poor Nutrition



BFood hits the mark by introducing at least one innovative plant-based delight or new flavour every year.



#### Whole Goodness of Whole Foods Plant-Based

Expanding the plant-based menu items is one way the Group pursues its plant-positive aspirations. BStarbucks and BFS provide customers with various choices as part of their Starbucks experience. Although BStarbucks and BFS continuously diversify its plant-based offerings, dairy remains a vital choice for customers. Dairy substantially contributes to Starbucks' carbon footprint and water consumption. Starbucks is collaborating with industry stakeholders to find responsible and sustainable solutions for dairy sourcing.



KELAVA takes an active step in organising sampling activities for their plant-based ice cream.



## Sustainability Statement

### BStarbucks & BFS

- BStarbucks and BFS are replacing their core flavoured syrups with two new ingredients: sugar cane syrup and flavoured drink base. This innovative shift allows for the separation of flavour and sweetness, facilitating the customisation and personalisation of crafted beverages and offering greater flexibility in delivering the Starbucks experience to customers.
- Currently, Starbucks offers plant-based milk options such as almond, soy, oat and macadamia.



### BRoasters

- BRoasters' plant-based menu offers classic dishes with a twist: traditional meat ingredients are replaced with plant-based meatless cutlet. Highlights include Meatless Cutlet Rice Meal, Meatless Cutlet Burger Meal and various pasta options such as Meatless Strips Spaghetti Carbonara, Meatless Strips Aglio Olio, and Meatless Stripe Mac & Cheese.



### BJoybean

- Joybean's fresh daily-made soymilk and pudding are 100% plant-based menu. The ingredients uses Grade A, non-GMO, identity-preserved Canadian soy beans to ensure the highest quality of its products each time.
- Joybean puddings are packed in an assorted flavours such as classic, chocolate and strawberry.



### BPB

- BPB offers plant-based milk such as soy and almond milk as alternative for their beverages.



## Sustainability Statement

### SER VEGANO

- Ser Vegano dishes are 100% plant-based, which are lower in calories and cholesterol while being higher in clean protein.
- This year, Ser Vegano introduced new items such as assorted waffles with various toppings including chocolate, biscoff, granola and more.
- A special limited time offer in collaboration with MushroomLah resulted in offering well-loved local staple dishes such as *nasi lemak* as well as loaded fries and wrap completed with refreshing 'sirap selasih' and 'bandung selasih', available with soy or oatmilk.



### BKELAVA

- Bkelava produces and distributes premium handcrafted micro-batch ice creams, which are rich, creamy and entirely plant-based. Its signature dairy-free ice cream offers a delicious alternative for those seeking high-quality plant-based dessert options.



### UNDERSTAND OUR COFFEE JOURNEY AND BE PART OF THE EXPERIENCE

Starbucks Global Academy ("SGA") offers a wide range of self-learning courses designed for Starbucks, customers, and community members worldwide. SGA helps users build expertise, expand their knowledge and contribute to positive change. Importantly, all SGA content is available at no charge to everyone, everywhere.

SGA courses cover topics that Starbucks excels in, drawing from over 50 years of experience and collaboration with subject matter experts. Key focus areas include cultivating a deep passion for coffee, promoting environmental and community well-being, creating a welcoming and inclusive space, and encouraging personal and professional growth.

## Sustainability Statement

BStarbucks actively participates in sustainability events, showcasing its commitment to eco-friendly practices. At the AEON Mall Alpha Angle Sustainability Exhibition 2024, BStarbucks highlighted its waste reduction initiatives, including the collection of used coffee grounds, upcycling the Starbucks Flavorlock™ bags, promoting sustainable merchandise, and the Bring Your Own Tumbler ("BYOT") programme. These efforts educate customers on sustainability and reduce single-use cups. Supporting these events reinforces BStarbucks' dedication to environmental stewardship.

### FOOD SAFETY AND QUALITY

BFood's food safety strategy adheres to the principle of Safety First, Quality Always, which reflects a collective commitment to product and people safety. The Group mitigates food safety risks through preventive and practice risk assessments with internal audit verification, robust preventive controls, hygienic zoning, crisis management, continuous improvement and health and safety impact evaluation.

### Brewing Excellence

BFood highly values food safety, hygiene and quality. These practices align with Starbucks Global Food Safety, Quality, and Regulatory ("GFSQR") standards, which are integral to the Global Licensing Framework ("GLF").

Five BStarbucks stores boast Hazard Analysis and Critical Control Points ("HACCP") Certification. Two stores are certified with BeSS ('Bersih, Selamat dan Sihat'), a recognition the Ministry of Health gives to food premises to encourage operators to provide safe and healthy food to customers.

BStarbucks and BFS also perform Food Safety Assessments ("FSA"), a revamped version of Quality Assurance Standards Audits. This retail food safety programme manages food safety risks comprehensively. The biannual assessment categorises areas by food safety principles and controls, including behaviour, temperature, pests, and contamination, and further breaks them down into critical, major and minor risks. During this financial year, 723 number of audits were conducted in BStarbucks and BFS stores.

Similarly, Jollibean's high-pressure soy milk extracting machine and high-quality soybeans are central to its success, allowing each outlet to craft consistently fresh, high-quality soy milk, guaranteeing excellence.



*BJoybean employees ("partners") packing the Joybean puddings in assorted flavours such as classic, chocolate and strawberry.*

### Delivering Trust in Every Cup We Serve: Halal Accreditation

BFood is committed to upholding and respecting diverse religious values, including the Halal principles. Understanding the significance of Halal practices for many customers, BFood proudly pursues Halal accreditation for its products and services through its signature brand, BStarbucks. This genuine approach has forged a profound sense of trust and appreciation among customers, establishing BStarbucks as not just a coffee provider but a brand deeply connected to the nation's cultural fabric.

### BStarbucks Halal Status

**91%** of stores have achieved Halal certification to date

**372** of 408 BStarbucks stores are Halal certified

**33** new BStarbucks stores applying for Halal certification

**2 BFS** of 4 Berjaya Food Supreme stores Halal certified in Brunei

**21** surveillance audits by JAKIM



## Sustainability Statement



BStarbucks visitation to the JAKIM Halal Management Department Headquarters, Putrajaya.

BStarbucks proudly emphasises its dedication to Halal compliance, a commitment that has been a part of its identity since 2006 when it received the esteemed JAKIM Halal certification. In 2017, BStarbucks became one of the few listed companies in JAKIM's Inisiatif Rahmah Halal Malaysia (Whitelist), a highly-valued initiative introduced to encourage industry engagement in Malaysian Halal certification.

JAKIM (Department of Islamic Development Malaysia) audited five applications for Halal certification, covering 33 stores. 21 surveillance audits across Malaysia ensured compliance with JAKIM's rigorous Halal standards. They involve comprehensive inspections and assessments to verify adherence to Islamic dietary laws and ethical guidelines. Surveillance audits are crucial for maintaining the integrity of Halal certification at various locations, providing consumers with confidence in the authenticity and reliability of Halal products and services.



BStarbucks has also engaged internal auditors to oversee Halal audits for its stores, integrating audit scoring into its Quality Assurance FSA programme. The Company provides online Halal training through Starbucks® CODEMY which are held together with Starbucks Experience class, for new employees ("partners"), underscoring its commitment to accommodating diverse dietary needs.

### EMPOWERING CUSTOMERS TO MAKE INFORMED CHOICES

An increasing number of consumers are becoming more health-conscious and informed. This shift reflects a growing awareness of the benefits of nutritious and high-quality foods, driving demand for options that support overall well-being and align with personal health goals.

BFood has consistently supported consumers in making informed choices by providing comprehensive product quality and safety information through effective marketing and labelling. In Malaysia, the 'Malaysia Code of Advertising' governs advertising, which is self-regulated by the industry and overseen by MCMC.

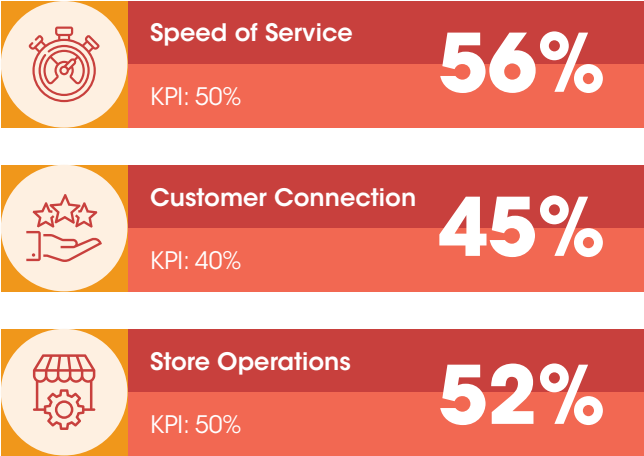
BFood is committed to responsible advertising and marketing. All employees ("partners") undergo training to help customers make informed food and beverage choices. The management conducts random staff checks to ensure they possess product knowledge to assist customers effectively.

# Sustainability Statement

## EVALUATING THE BFOOD EXPERIENCE

BFood actively collects customer feedback through various channels to ensure high satisfaction levels. Feedback is gathered via phone calls, emails, social media platforms and in-person interactions, providing a broad spectrum of insights.

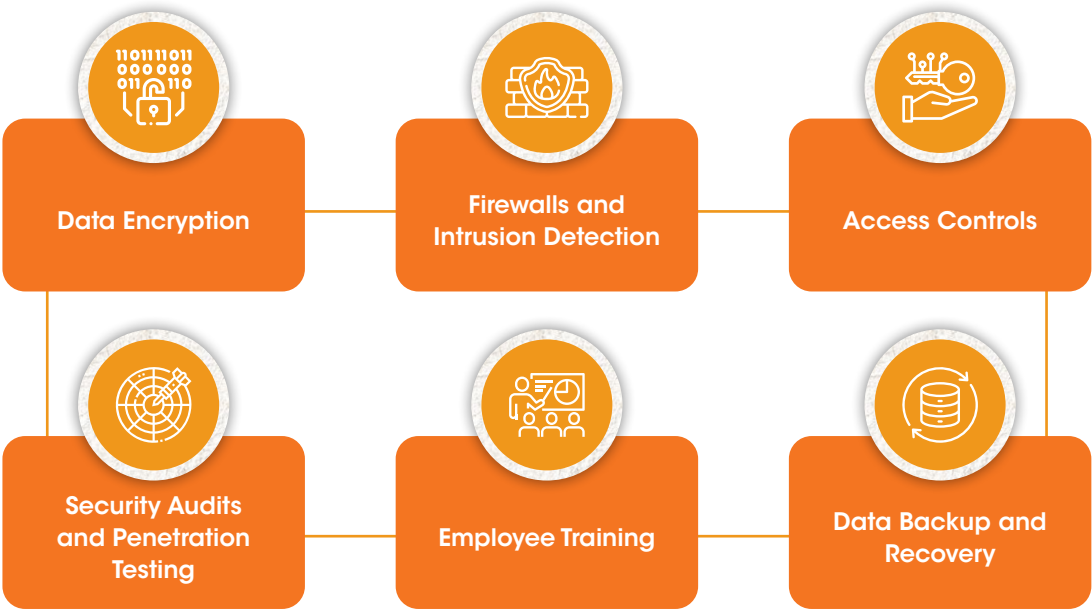
BStarbucks trains its employees ("partners") at its stores, restaurants, and outlets to be approachable and receptive, encouraging customers to share their experiences and suggestions. BStarbucks monitors digital feedback and customer surveys to understand service performance and product quality. Integrating this feedback into operations helps BStarbucks continually enhance the overall customer experience and deliver exceptional satisfaction.



## PRIVACY POLICY

Safeguarding customer privacy is a top priority for the Group. BFood's comprehensive privacy policy aligns with data protection regulations, including the Personal Data Protection Act ("PDPA").

### Robust Measures to Bolster Cybersecurity



These measures collectively help protect sensitive information and ensure customer privacy.

# Bursa Malaysia Sustainability Performance Report

Indicator	Measurement Unit	2024
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	47,125.72
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	1,047.358100
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior management	Percentage	42.11
Middle management	Percentage	21.95
Junior management	Percentage	0.00
Executive	Percentage	0.70
Non-executive	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,288,335.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	11,441
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.17
Bursa C5(c) Number of employees trained on health and safety standards	Number	0
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior management Under 30	Percentage	0.00
Senior management Between 30-50	Percentage	47.37
Senior management Above 50	Percentage	52.63
Middle management Under 30	Percentage	2.44
Middle management Between 30-50	Percentage	87.80
Middle management Above 50	Percentage	9.76
Junior management Under 30	Percentage	15.31
Junior management Between 30-50	Percentage	82.65
Junior management Above 50	Percentage	2.04
Executive Under 30	Percentage	39.86
Executive Between 30-50	Percentage	57.34
Executive Above 50	Percentage	2.80
Non-executive Under 30	Percentage	80.80
Non-executive Between 30-50	Percentage	18.40
Non-executive Above 50	Percentage	0.79
Gender Group by Employee Category		
Senior management Male	Percentage	52.63
Senior management Female	Percentage	47.37
Middle management Male	Percentage	39.02
Middle management Female	Percentage	60.98
Junior management Male	Percentage	26.53
Junior management Female	Percentage	73.47



# Bursa Malaysia Sustainability Performance Report

Indicator	Measurement Unit	2024
Executive Male	Percentage	27.27
Executive Female	Percentage	72.73
Non-executive Male	Percentage	48.57
Non-executive Female	Percentage	51.43
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	57.14
Female	Percentage	42.86
Under 30	Percentage	0.00
Between 30-50	Percentage	28.57
Above 50	Percentage	71.43
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Senior management	Hours	177
Middle management	Hours	2,382
Junior management	Hours	3,951
Executive	Hours	4,024
Non-executive	Hours	311,357
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	24.92
Bursa C6(c) Total number of employee turnover by employee category		
Senior management	Number	1
Middle management	Number	12
Junior management	Number	29
Executive	Number	46
Non-executive	Number	1,997
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	68.37
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

# Sustainability Performance Data

Indicator	Unit	FY2022	FY2023	FY2024
<b>Economic</b>				
<b>Supply Chain</b>				
Proportion of spending on local suppliers (only covers operations in Malaysia and the UK)	%	68.00%	61.74%	68.37%
<b>Corruption</b>				
Total cost of fines, penalties or settlements in relation to corruption	RM	0	0	0
Total amount of political contributions	RM	0	0	0
Number of staff disciplined or dismissed due to non-compliance with anti-corruption policy	No.	0	0	0
Provisions for fines and settlements specified for ESG issues in audited accounts	RM	0	0	0
Total costs of environmental fines and penalties	RM	0	0	0
Total employees who have received training on anti-corruption	No. (%)	NA	NA	27 (0.75%)
Total <b>executive</b> employees who have received training on anti-corruption	No. (%)	NA	NA	1 (0.70%)
Total <b>non-executive</b> employees who have received training on anti-corruption	No. (%)	NA	NA	0 (0.00%)
Total <b>junior management</b> who have received training on anti-corruption	No. (%)	NA	NA	0 (0.00%)
Total <b>middle management</b> who have received training on anti-corruption	No. (%)	NA	NA	18 (21.95%)
Total <b>senior management</b> who have received training on anti-corruption	No. (%)	NA	NA	8 (42.11%)
Total confirmed incidents of corruption	No.	0	0	0
Percentage of operations assessed for corruption-related risks	%	0.00%	0.00%	0.00%
<b>Environment</b>				
<b>Energy</b>				
Indirect energy (electricity)	kWh	32,522,029	40,454,002	47,031,465
Direct Energy *	GJ	684	2,075	339
Indirect Energy	GJ	117,079	145,634	169,313
Total energy *	GJ	117,764	147,710	169,653
* Energy conversion coefficients are derived from the IPCC Guidelines for National Greenhouse Gas Inventories. FY2022 and FY2023 restated due to updated conversion factors.				
* The increase of total energy is partly due to the improved data monitoring process.				
<b>Water and effluent</b>				
Total municipal water consumption *	m <sup>3</sup>	953,631	1,052,744	1,047,358
Total surface water from rivers, lakes and natural ponds	m <sup>3</sup>	0	0	0
Total groundwater from wells, boreholes	m <sup>3</sup>	0	0	0
Total water consumption *	m <sup>3</sup>	953,631	1,052,744	1,047,358

\* FY2022 and FY2023 estimated based on the expansion of the number of stores.

## Sustainability Performance Data

Indicator	Unit	FY2022	FY2023	FY2024
<b>Waste*</b>				
Total solid waste disposed	kg	23,876	31,804	31,133
Non-recyclable waste	kg	0	0	0
Total recycled waste	kg	23,876	31,804	31,133
Total scheduled waste disposed	kg	0	0	0

\* Reported waste is limited to BRoasters and BPB used cooking oil, which is recycled and BStarbucks used Flavorlock™ Whole Bean bags donated by customers which is upcycled.

<b>Carbon emissions</b>				
Scope 1				
CO <sub>2</sub>	tCO <sub>2</sub> e	47.58	144.22	23.52
CH <sub>4</sub>	tCO <sub>2</sub> e	0.19	0.58	0.09
N <sub>2</sub> O	tCO <sub>2</sub> e	0.11	0.34	0.06
CO <sub>2</sub> e <sup>†</sup>	tCO <sub>2</sub> e	47.88	145.14	23.67
Scope 2 emissions ** ††	tCO <sub>2</sub> e	24,652	30,664	35,650
Scope 3 emissions: business travel ***	tCO <sub>2</sub> e	135	156	148
Scope 3 emissions: employee commuting	tCO <sub>2</sub> e	NA	7,397	3,405

<sup>†</sup> Minor FY2022 and FY2023 restatement to improve disclosure by including CH<sub>4</sub> and N<sub>2</sub>O.

<sup>††</sup> FY2022 and FY2023 figures restated due to more accurate emission factor being released by the Malaysian Energy Commission.

\* CO<sub>2</sub> emissions from fuel consumption were derived from the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories.

\*\* Scope 2 was derived using the emission factor published by the Energy Commission for the Peninsular Grid 2021.

\*\*\* Scope 3 GHG emissions were calculated using the transport vehicle distance and stationary combustion emission factors for cross-sector tools compiled for the WRI Greenhouse Gas Protocol.

<b>Social</b>				
<b>Diversity, Equity &amp; Inclusion</b>				
Total number of employees	No.	6,187	6,384	3,624
Number of full time employees	No. (%)	4,158 (67.21%)	4,458 (69.83%)	2,721 (75.08%)
Number of contractors/temporary staff	No. (%)	2,029 (32.79%)	1,926 (30.17%)	903 (24.92%)
Number of new hire employees	No.	2,726	2,231	1,066
<b>Employees by nationality</b>				
Total Malaysian Staff	No. (%)	6,187 (100.00%)	6,384 (100.00%)	3,595 (99.20%)
Total Non-Malaysian Staff	No. (%)	0 (0.00%)	0 (0.00%)	29 (0.80%)
<b>Employees by gender</b>				
Female	No. (%)	3,304 (53.40%)	3,381 (52.96%)	1,923 (53.06%)
Male	No. (%)	2,883 (46.60%)	3,003 (47.04%)	1,701 (46.94%)



## Sustainability Performance Data

Indicator	Unit	FY2022	FY2023	FY2024
<b>Employees by age</b>				
<30	No. (%)	5,184 (83.79%)	5,325 (83.41%)	2,726 (75.22%)
30-50	No. (%)	953 (15.40%)	1,002 (15.70%)	848 (23.40%)
>50	No. (%)	50 (0.81%)	57 (0.89%)	50 (1.38%)
<b>Employees by category</b>				
Executive employees	No. (%)	180 (2.91%)	201 (3.15%)	143 (3.95%)
Non-executive employees	No. (%)	5,796 (93.68%)	5,947 (93.15%)	3,282 (90.56%)
Junior management	No. (%)	119 (1.92%)	122 (1.91%)	98 (2.70%)
Middle management	No. (%)	74 (1.20%)	98 (1.54%)	82 (2.26%)
Senior management	No. (%)	18 (0.29%)	16 (0.25%)	19 (0.52%)
<b>Gender by category</b>				
Executive: Female	No. (%)	124 (68.89%)	145 (72.14%)	104 (72.73%)
Executive: Male	No. (%)	56 (31.11%)	56 (27.86%)	39 (27.27%)
Non-executive: Female	No. (%)	3,042 (52.48%)	3,075 (51.71%)	1,688 (51.43%)
Non-executive: Male	No. (%)	2,754 (47.52%)	2,872 (48.29%)	1,594 (48.57%)
Junior management: Female	No. (%)	82 (68.91%)	90 (73.77%)	72 (73.47%)
Junior management: Male	No. (%)	37 (31.09%)	32 (26.23%)	26 (26.53%)
Middle management: Female	No. (%)	46 (62.16%)	62 (63.27%)	50 (60.98%)
Middle management: Male	No. (%)	28 (37.84%)	36 (36.73%)	32 (39.02%)
Senior management: Female	No. (%)	10 (55.56%)	9 (56.25%)	9 (47.37%)
Senior management: Male	No. (%)	8 (44.44%)	7 (43.75%)	10 (52.63%)
<b>Age by category</b>				
Executive: <30	No. (%)	75 (41.67%)	98 (48.76%)	57 (39.86%)
Executive: 30-50	No. (%)	101 (56.11%)	98 (48.76%)	82 (57.34%)
Executive: >50	No. (%)	4 (2.22%)	5 (2.49%)	4 (2.80%)
Non-executive: <30	No. (%)	5,094 (87.89%)	5,205 (87.52%)	2,652 (80.80%)
Non-executive: 30-50	No. (%)	674 (11.63%)	710 (11.94%)	604 (18.40%)
Non-executive: >50	No. (%)	28 (0.48%)	32 (0.54%)	26 (0.79%)
Junior management: <30	No. (%)	15 (12.61%)	20 (16.39%)	15 (15.31%)
Junior management: 30-50	No. (%)	101 (84.87%)	99 (81.15%)	81 (82.65%)
Junior management: >50	No. (%)	3 (2.52%)	3 (2.46%)	2 (2.04%)
Middle management: <30	No. (%)	0 (0.00%)	2 (2.04%)	2 (2.44%)
Middle management: 30-50	No. (%)	67 (90.54%)	89 (90.82%)	72 (87.80%)
Middle management: >50	No. (%)	7 (9.46%)	7 (7.14%)	8 (9.76%)
Senior management: <30	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
Senior management: 30-50	No. (%)	10 (55.56%)	6 (37.50%)	9 (47.37%)
Senior management: >50	No. (%)	8 (44.44%)	10 (62.50%)	10 (52.63%)

## Sustainability Performance Data

Indicator	Unit	FY2022	FY2023	FY2024
<b>Disability</b>				
Total number of disabled staff	No. (%)	19 (0.31%)	25 (0.39%)	27 (0.75%)
<b>Employee Turnover Rates*</b>				
Total turnover	No. (rate)	2,677 (53.13%)	3,688 (58.67%)	2,085 (41.67%)
<b>Turnover by gender</b>				
Female	No. (rate)	1,407 (52.65%)	1,836 (54.93%)	1,061 (40.01%)
Male	No. (rate)	1,270 (53.67%)	1,852 (62.93%)	1,024 (43.54%)
<b>Turnover by age group</b>				
<30	No. (rate)	2,454 (58.18%)	3,208 (61.05%)	1,829 (45.44%)
30-50	No. (rate)	217 (27.61%)	472 (48.29%)	249 (26.92%)
>50	No. (rate)	6 (17.14%)	8 (14.95%)	7 (13.08%)
<b>Turnover by employment category</b>				
Executive employees	No. (rate)	40 (32.00%)	44 (23.10%)	46 (26.74%)
Non-executive employees	No. (rate)	2,615 (55.22%)	3,612 (61.52%)	1,997 (43.28%)
Junior management	No. (rate)	17 (15.38%)	11 (9.13%)	29 (26.36%)
Middle management	No. (rate)	4 (5.97%)	19 (22.09%)	12 (13.33%)
Senior management	No. (rate)	1 (6.90%)	2 (11.76%)	1 (5.71%)
* Turnover rates = number of employees leaving / average number of employees for each category (rates restated as previous used total employees).				
Total voluntary turnover (full time staff)	No. (%)	263 (9.82%)	307 (8.32%)	1,951 (93.57%)
Total involuntary turnover (full time staff)	No. (%)	2,414 (90.18%)	3,332 (90.35%)	117 (5.61%)
<b>Women representatives in the management</b>				
Female employees in management	No. (%)	115 (57.21%)	138 (61.06%)	131 (66.16%)
Female employees in top management	No. (%)	10 (55.56%)	9 (56.25%)	9 (50.00%)
<b>Director Diversity</b>				
<b>Directors by gender</b>				
Female	No. (%)	2 (33.33%)	3 (42.86%)	3 (42.86%)
Male	No. (%)	4 (66.67%)	4 (57.14%)	4 (57.14%)
<b>Directors by age group</b>				
<30	No. (%)	0 (0.00%)	0 (0.00%)	0 (0.00%)
30-50	No. (%)	1 (16.67%)	3 (42.86%)	2 (28.57%)
>50	No. (%)	5 (83.33%)	4 (57.14%)	5 (71.43%)

## Sustainability Performance Data

Indicator	Unit	FY2022	FY2023	FY2024
<b>Training &amp; Development</b>				
Total number of employees attending training	No.	1,747	2,043	6,661
Total number of hours spent on employee development training to enhance knowledge or individual skills	Hrs.	9,414	11,259	321,882
Total number of hours spent on employee development training for <b>executive employees</b>	Hrs.	2,168	3,426	4,024
Total number of hours spent on employee development training for <b>non-executive employees</b>	Hrs.	415,446	633,781	311,357
Total number of hours spent on employee development training for <b>junior management</b>	Hrs.	1,167	1,200	3,951
Total number of hours spent on employee development training for <b>middle management</b>	Hrs.	3,992	4,531	2,382
Total number of hours spent on employee development training for <b>senior management</b>	Hrs.	201	96	177
Average training hours per employee	Hrs.	5	6	89
Average training days per employee	Days	1	1	11
<b>Community</b>				
Total amount of corporate or group donations/ community investments made to registered not-for-profit organisations	RM	1,375,214	302,955	1,288,335
Total beneficiaries of the investment in communities	No.	33	203	11,441
<b>Health and Safety</b>				
Fatalities (employees)	No.	0	0	0
Fatalities (third-party contractors)	No.	0	0	0
Lost time incident rate (employees)	LTIR *	NA	NA	0.87
Employees trained on health and safety standards	No.	0	0	0
Employees receiving general training which includes safety	No.	6,124	6,273	6,293
* LTIR = number of lost time injuries in the reporting period / total number of hours worked in the reporting period x 1,000,000.				
<b>Human Rights</b>				
Number of substantiated complaints concerning human rights violations	No.	0	0	0
<b>Data Privacy and Security</b>				
Total substantiated complaints concerning breaches of customer privacy and losses of customer data	No.	0	0	0
<b>Certification*</b>				
Percentage of sites covered by recognised environmental management systems such as ISO14001 or EMAS	%	0	0	0
Percentage of sites with OHSAS 18001 certification	%	0	0	0

\* Not necessary due to nature of operations.



# SIRIM Assurance Statement



## SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

### To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by Berjaya Food Berhad (hereafter referred to as BFood) to perform an independent verification and provide assurance of BFood Sustainability Statement FY2024. The main objective of the verification process is to provide assurance to BFood and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International applied to all sustainability performance information (subject matter) as listed below, within the assurance scope which is included in BFood Sustainability Statement FY2024.

The management of BFood was responsible for the preparation of the Sustainability Statement FY2024. The objective and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the BFood Sustainability Statement and the Annual Report 2024.

The assurance engagement was designed to provide limited assurance in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance activity evaluates the adequacy of BFood Sustainability Statement and its overall presentation against respective reporting frameworks such as UN-SDGs and GRI Standards. The assurance process involves verification of 19 material matters as presented in the Sustainability Statement (page 30 to 88 of the Annual Report) within sections as follows i.e., Economic Sustainability, Advancing Environmental Sustainability, Empowering People, Empowering Us, Respecting Human Rights, Collective Impact for the Community and Unified Responsibility: Sustainable Practices Across Our Brands. Details are provided in the Report to Management.

The verification was carried out by SIRIM QAS International in September 2024, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation which are made available during the conduct of assessment.
- Verification of data presented in the Sustainability Statement includes a detailed assessment of the sampled data.
- Interviewing key personnel responsible for collating information and writing various parts of the statement in order to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of the work did not involve verification of other information reported in BFood's Annual Report 2024.
- The head office at Berjaya Times Square was visited as part of this assurance engagement. The verification process did not include physical inspections of any of BFood's operations and assets; and,
- The verification team did not conduct any verification of the data and services provided by appointed contractors and third parties.

## SIRIM Assurance Statement

### Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO 17021-1:2015 and ISO 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of BFood relating to the accuracy of some of the information contained in the statement. In response to the findings raised, the Sustainability Statement was subsequently reviewed and revised by BFood. It is confirmed that changes that have been incorporated into the final version of the statement have addressed all issues. Based on the scope of the assessment process and evidence obtained, the following represents SIRIM QAS International's opinion:

- The level of data accuracy included in BFood Sustainability Statement FY2024, is fairly stated;
- The level of disclosure of the specific sustainability performance information presented in the statement was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the statement;
- The Sustainability Statement FY2024 provides a reasonable and balanced presentation of the sustainability performance of Berjaya Food Berhad.

#### List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Kamini Sooriamoorthy	:	Team Member
3)	Ms. Suzalina Kamaralarifin	:	Team Member
4)	Ms. Nur Ruzaini Ab Razak	:	Team Member
5)	Ms Aine Jamaliah Mohamad Zain	:	Team Member


Statement Prepared by:

Statement Approved by:


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**AERNIDA BINTI ABDUL KADIR**  
 Team Leader  
 Management System Certification Department  
 SIRIM QAS International Sdn. Bhd.  
 Date: 16 October 2024


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**Ts. MD ADHA BIN RAHMAT**  
 Senior General Manager  
 Management System Certification Department  
 SIRIM QAS International Sdn. Bhd.  
 Date: 21 October 2024

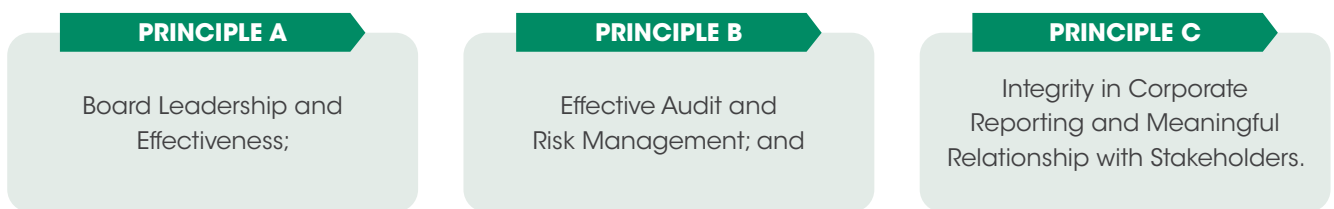
Note 1: This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantee the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (16 October 2024).

# Corporate Governance Overview Statement

The Board of Directors ("Board") of Berjaya Food Berhad ("the Company") recognises the importance of corporate governance ("CG") towards promoting business growth and corporate accountability to protect and enhance shareholders' value as well as the interest of the Company.

The Board is committed in ensuring that the Company and its subsidiaries (collectively "the Group") carries out its business operations within the required standards of CG as set out in the Malaysian Code on Corporate Governance ("MCCG").

The Board is pleased to provide an overview of the Company's CG practices during the financial year ended 30 June 2024 ("FYE 2024") and where applicable, up to the date of this CG Overview Statement with reference to the three (3) key CG principles as set out in the MCCG as follows:-



This CG Overview Statement is also in compliance with Paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and should be read in conjunction with the Company's Corporate Governance Report 2024 ("CG Report"), which is available on its website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/) and on Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com).

The CG Report sets out the various practices under the MCCG which provides details on how the Company has applied each Practice, any departures thereof and the alternative measures being in place within the Company during the FYE 2024. The Board is satisfied that the Company has substantially complied with the MCCG throughout the FYE 2024 save for the exceptions which are fully described in the CG Report.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### Board Responsibilities

The Board is responsible for the performance and affairs of the Group and to provide leadership as well as guidance for setting strategic direction for the Group. The roles and responsibilities of the Board in discharging its fiduciary and leadership function has been formalised in the Board Charter.

### Chairman and Group Chief Executive Officer ("Group CEO")

The Board is led by the Chairman, Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah, an Independent Non-Executive Director of the Company. The Chairman is responsible for providing leadership as well as to ensure the smooth and effective functioning of the Board. The Chairman will preside at all Board Meetings and general meetings of the Company and always ensure that procedural rules are followed in the conduct of meetings and that decisions made are formally recorded and adopted.

The Board has delegated the day-to-day management of the Group's affairs and business to the Group CEO of the Company, Dato' Sydney Lawrance Quays. The Group CEO holds the primary executive responsibility for the Group's business performance and to manage the Group in accordance with the strategies and policies approved by the Board. The Group CEO will focus on the business and leads the Senior Management of the Group in making

## Corporate Governance Overview Statement

and implementing the day-to-day decisions on the business operations, managing resources and associated risks involved while pursuing the corporate objectives of the Group. The Group CEO may delegate appropriate functions to any member of the Senior Management reporting to the Group CEO.

The Group CEO and Management meet regularly to review and monitor the performance of the Group's operating divisions. The Group CEO briefs the Board on the Group's business operations and Management's initiatives during the quarterly Board Meetings.

### Separation of Positions of the Chairman and Group CEO

The positions of the Chairman and the Group CEO are held by two different individuals. The distinct and separate roles of the Chairman and Group CEO with clear division of responsibilities have ensured the balance of the power and authority and that no one has unfettered control of the Board. The roles and responsibilities of the Chairman and Group CEO have been formalised in the Board Charter of the Company.

### Non-Executive Directors

The Non-Executive Directors are not involved in the day-to-day management of the Group but contribute their own particular expertise and experience in the development of the business strategy of the Group and to make insightful contribution during the Board's deliberation. They also assist and ensure the Board adopts a good CG practice within the Group.

The presence of three (3) Independent Non-Executive Directors is sufficient to provide the required checks and balances on the decision making process of the Board. The Independent Non-Executive Directors are essential in providing unbiased and impartial opinion, advice and judgment to ensure the interests of the Group, shareholders, employees, customers and other stakeholders in which the Group conducts its businesses are well represented and taken into account. The significant contributions of the Independent Directors in the decision making process is evidenced in their participation as members of the various committees of the Board.

In addition, the three (3) Non-Independent Non-Executive Directors on the Board also help to provide views and contributions from a different perspective as they are not involved in the day-to-day operations of the Group.

### Board Committees

The Board has established the following Board Committees which consist of a majority of Non-Executive Directors to support the Board in discharging its oversight function and to ensure that there are appropriate checks and balances in place:-

- (i) Audit and Risk Management Committee;
- (ii) Nomination Committee;
- (iii) Remuneration Committee; and
- (iv) Sustainability Committee.

The Chairman of the Board is not a member of the Audit and Risk Management Committee, Nomination Committee or Remuneration Committee which is aligned with the recommendation of the MCCG.

Each of the Board Committee operates within its respective terms of reference ("TOR") that also clearly define its respective functions and authorities. The TOR of the respective Board Committees are periodically reviewed by the Board Committees and approved by the Board to ensure that the TOR remains relevant and adequate in governing the responsibilities of the Committees and to reflect the latest developments in the Main Market Listing Requirements of Bursa Securities and the MCCG. These Board Committees have the authority to report to the Board with their recommendations. However, the ultimate responsibility for the final decision on all matters still lies with the Board.



## Corporate Governance Overview Statement

The TORs of each the Board Committees are available on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

### Company Secretaries

The Board is supported by the qualified and experienced Company Secretaries, who are members of the professional body namely, Malaysian Institute of Chartered Secretaries and Administrators and they are also qualified Company Secretaries as per Section 235(2)(a) of the Companies Act 2016 registered with the Companies Commission of Malaysia. The Company Secretaries play an important role in facilitating the overall compliance with the Companies Act 2016, the Main Market Listing Requirements of Bursa Securities and other relevant laws and regulations. The Company Secretaries also advised the Board on adoption of CG best practices as recommended under the MCCG. The Company Secretaries also assist the Board and Board Committees to function effectively and in accordance with their respective TOR and best practices and ensuring adherence to the existing Board policies and procedures.

The roles and responsibilities of the Company Secretaries have been formalised in the Board Charter of the Company which provides reference for Company Secretaries in the discharge of their duties.

The Company Secretaries have also been continuously attending the relevant training programmes, conferences, seminars, webinars and/or forums so as to keep themselves abreast with the current regulatory changes in laws, regulatory requirements and CG that are relevant to their profession and enabling them to provide the necessary advisory role to the Board.

### Board Meetings and Meeting Materials

In order to discharge their responsibilities effectively, the Board meets regularly on a quarterly basis. Other than quarterly Board Meetings, additional Board and/or Board Committee Meetings may be convened as and when necessary to consider and deliberate on any urgent proposals or matters under their purview and which requires the Board's expeditious review, consideration and approval. Such meetings will enable the Board members to effectively assess the viability of the business and corporate proposals and the principal risks that may have significant impact on the Group's business or on its financial position and the mitigating factors. All Board and/or Board Committee approvals sought are supported with all the relevant information and explanations required for an informed decision to be made.

In the intervals between Board and/or Board Committee Meetings, any matters requiring urgent Board and/or Board Committee recommendations, decisions or approvals will be sought via circular resolutions to the Board and/or Board Committee members and these are supported with all the relevant information and/or explanations required for an informed decision to be made.

For predetermined Board Meeting and/or Board Committee Meetings, the Directors will be provided with the relevant agenda and Board papers at least five (5) business days' notice except for meetings called on an ad-hoc basis for special matters or urgent proposal, reasonable notice for such meetings shall be sufficient. This enables the Board to have an overview of matters to be discussed or reviewed at the meetings and to seek further clarifications, if any. The Board papers provide, among others, the minutes of preceding meetings of the Board and Committees, summary of dealings in shares by the directors or affected persons and directors' circular resolutions, reports on the Group's financial statements, operations, any relevant corporate developments and proposals.

In addition, there is also a schedule of matters reserved for Board's deliberations and decisions, which include among others, the review, evaluation, adoption and approval of the Company and the Group's policies and strategic plans. This is to ensure that the strategic plan of the Company and the Group supports long term value creation, including strategies on economic, environmental and social considerations underpinning sustainability. It also includes the review, evaluation and approval for any material acquisition and/or disposal of undertakings or assets and any new major ventures in the Group.

## Corporate Governance Overview Statement

### Access to Information and Advice

The Directors have unrestricted access to the advice and services of the Company Secretaries and Senior Management staff in the Group to assist them in carrying out their duties. They may also obtain independent professional advice at the Company's expense in furtherance of their duties whenever the need arises.

### Board Charter, Ethical Standards through Code of Ethics, Code of Conduct, Directors' Fit and Proper Policy, Whistleblowing Policy and Procedures, T.R.U.S.T Concept and Conflict of Interest Policy

The Board has the following in place:-

#### (a) Board Charter

The Board has adopted a Board Charter to promote the standards of CG and clarifies, among others, the roles and responsibilities of the Board, Board Committees and individual Director.

The Board Charter is subject to review by the Board periodically to ensure that it remains consistent with the Board's roles and responsibilities as well as the prevailing legislation and practices. A copy is available on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

#### (b) Code of Ethics for Directors

The Board has also adopted a Code of Ethics for Directors ("Code") which is incorporated in the Board Charter. The Code was formulated to enhance the standard of CG and to promote ethical conduct of the Directors.

#### (c) Directors' Fit and Proper Policy

The Group has adopted a Directors' Fit and Proper Policy which set out the fit and proper criteria for the appointment and re-election of director onto the Board of the Company and the Group.

The Policy serves as a guide to the Nomination Committee and the Board in their review and assessment of candidates that are proposed to be appointed onto the Board as well as directors who are seeking for re-election.

The Directors' Fit and Proper Policy is subject to review by the Board periodically to ensure that it remains effective and relevant and a copy of the Directors' Fit and Proper Policy is available on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

#### (d) Code of Conduct and Business Ethics

The Group has adopted a Code of Conduct covering business ethics, workplace safety and employees' personal conduct for all employees of the Company and all of its subsidiaries and associates. This is to ensure that all employees and Directors maintain and enforce the highest standards of ethics and professional conduct in the performance of their duties and responsibilities throughout the organisation.

All employees and Directors of the Company are required to declare that they have received, read and understood the provisions of the Code of Conduct and agreed to comply with its terms throughout their employment or tenure with the Company.

The Board will periodically review the Code of Conduct. The Code of Conduct is available on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

## Corporate Governance Overview Statement

### (e) Whistleblowing Policy and Procedures

The Group acknowledges the importance of lawful and ethical behaviours in all its business activities and is committed to adhere to the values of transparency, integrity, impartiality and accountability in the conduct of its business and affairs in its workplace.

The Group has in place a Whistleblowing Policy and Procedures which provides an avenue for employees, the Group's third party service providers, independent contractors, vendors and suppliers and members of the public to raise genuine concerns and to disclose alleged, suspected or actual wrongdoings or known improper conduct on a confidential basis, without fear of any form of victimisation, harassment, retribution or retaliation.

The Whistleblowing Policy and Procedures also serves as an avenue to safeguard against the acts of bribery and corruption pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009. The Whistleblowing Policy and Procedures, underlining its protection and reporting channels, can be accessed on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

### (f) Adequate Procedures to Curb and Prevent Bribery and Corruption - T.R.U.S.T Concept

The Board has adopted a T.R.U.S.T Concept which form the ethos and philosophy of the top management in respect of the Group's fight against bribery and corruption in all its business dealings, transactions and such other related activities.

The T.R.U.S.T Concept was formulated to set out the guidelines on adequate procedures to curb and prevent bribery and corruption and the procedures are guided by the following five principles:-

- Principle I : Top Level Commitment (Berjaya's Ethos and Commitment);
- Principle II : Risk Management Assessment;
- Principle III : Undertake Control Measures;
- Principle IV : Systematic Review, Monitoring and Enforcement; and
- Principle V : Training and Communication.

(Collectively known as T.R.U.S.T Concept)

The T.R.U.S.T Concept demonstrates the Group's zero-tolerance approach against all forms of bribery and corruption in its daily operations and the Group takes a strong stance against such acts. The Group will take all reasonable and appropriate measures to ensure that all its directors and employees are committed to act professionally and with integrity in all their business dealings and not participate in any corrupt activities for its advantage or benefit.

The T.R.U.S.T Concept can be accessed on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

### (g) Conflict of Interest Policy

The Board has established and adopted a Conflict of Interest ("COI") Policy that outlines the processes and procedures that the Directors and Key Senior Management within the Group must adhere to and address circumstances that may potentially lead to a COI, whether they are actual, apparent or potential in nature.

The COI Policy serves as a guide to the Audit and Risk Management Committee and the Board in identifying, evaluating, approving, reporting and monitoring of COI situations.

All the Directors and Key Senior Management are required to declare that they have acknowledged, received and read the COI Policy and agreed to comply with its provisions in the COI Policy.

## Corporate Governance Overview Statement

### Sustainability Strategies

The Board views the commitment to promote sustainability strategies in the environment, social and governance aspects as part of its broader responsibility to all its various stakeholders and the communities in which it operates.

The Group strives to achieve a long-term sustainability balance between meeting its business goals, preserving the environment to sustain the ecosystem and improving the welfare of its employees and the communities in which it operates. The Group works closely with its supply chain partners and other industry players to address sustainability issues relevant to the food and beverage industry. The Group's sustainability journey including strategies, priorities, progress, and targets are communicated to its stakeholders, internal or external, through regular engagement with each of the stakeholder groups.

The Group's efforts to promote sustainability initiatives for the environment, the communities in which it operates and its employees have been set out in the Sustainability Statement in this Annual Report.

### Board Composition

The Board composition of the Company represents a mix of knowledge, skills, and expertise which assist the Board in effectively discharging its stewardship and responsibilities. The Board currently has seven (7) members comprising three (3) Independent Non-Executive Directors (including the Chairman), the Group CEO and three (3) Non-Independent Non- Executive Directors. The profiles of each Directors of the Company are set out in the Profile of Directors section in this Annual Report.

The present composition of the Board is in compliance with Paragraph 15.02 of the Main Market Listing Requirements of Bursa Securities which requires at least one third (1/3) of its members to be Independent Directors. However, the Company is not in compliance with Practice 5.2 of the MCCG which states that for Large Companies, the board comprises a majority of independent directors.

The presence of the Independent Directors, though not forming majority of the Board members, is sufficient to provide the necessary checks and balances on the decision making process of the Board. They are able to contribute their particular expertise and experience to the Board and to carry out their duties and responsibilities with unfettered and unbiased independent judgement.

### Boardroom Diversity

The Board acknowledges the importance of boardroom diversity in terms of age, gender, nationality, ethnicity and recognises the benefits of this diversity.

The Board also recognises that having a range of different skills, backgrounds, experience and diversity is essential to ensure a broad range of viewpoints to facilitate optimal decision making and effective governance.

The Board is of the view that whilst promoting boardroom diversity is essential, the normal selection criteria of a Director, based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board, should remain a priority. The Board will continuously strive to meet the targets for gender diversity requirement and will actively take the necessary measures towards promoting a corporate culture that embraces gender diversity in the Boardroom.

The Company takes diversity not only in the Boardroom but also in the workplace as it is an essential measure of good governance, critically attributing to a well-functioning organisation and sustainable development of the Company.



## Corporate Governance Overview Statement

The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board.

Currently, the Board has three (3) female Directors namely, Datin Chee Yoke Kuan, Wan Nor Aida Binti Wan Azmi and Ms Chryseis Tan Sheik Ling and they represent about 43% ratio of the full Board of seven (7) members. They are part of the Board's gender diversity and have brought value to Board discussions from different perspectives and approaches. The Board has complied with Paragraph 15.02(1)(b) of the Main Market Listing Requirements of Bursa Securities and has also fulfilled the requirement of Practice 5.9 of the MCCG.

The Board has in place a Diversity Policy, a copy of which is available on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

### Time Commitment

The Board is satisfied with the level of time commitment given by the Directors and members of the Board Committees towards fulfilling their roles and responsibilities as Directors and members of the Board Committees of the Company. During the FYE 2024, the number of meetings held and attended by the Directors and Committee Members were as follows:-

Name of Directors/Designations	BOARD	No. of Meeting Attended/ Meetings held in FYE 2024			
		ARMC	NC	RC	SC
Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah (Chairman/Independent Non-Executive Director)	5/5	-	-	-	-
Dato' Sydney Lawrance Quays (Group Chief Executive Officer)	5/5	-	-	-	3/3
Dato' (Dr) Mustapha Bin Abd Hamid (Non-Independent Non-Executive Director)	5/5	-	-	-	3/3
Chryseis Tan Sheik Ling (Non-Independent Non-Executive Director)	4/5	-	-	-	-
Tan Thiam Chai (Non-Independent Non-Executive Director)	5/5	5/5	2/2	1/1	3/3
Datin Chee Yoke Kuan (Independent Non-Executive Director)	5/5	5/5	2/2	1/1	3/3
Wan Nor Aida Binti Wan Azmi (Independent Non-Executive Director)	5/5	5/5	2/2	1/1	-

Notes:

BOARD : Board Meeting

ARMC : Audit and Risk Management Committee Meeting

NC : Nomination Committee Meeting

RC : Remuneration Committee Meeting

SC : Sustainability Committee Meeting

All the Directors of the Company have confirmed that they do not hold more than five (5) directorships in listed issuers pursuant to Paragraph 15.06 of the Main Market Listing Requirements of Bursa Securities. They are required to notify the Chairman of the Board before accepting any new directorships outside the Group and indicating the time that will be spent on the new directorship. Similarly, the Chairman of the Board shall also do likewise before taking up any additional appointment of directorships.

## Corporate Governance Overview Statement

### Directors' Training

All the Directors of the Company have completed the Mandatory Accreditation Programme ("MAP") Part I and some of the Directors have completed the MAP Part II as required by Bursa Securities as at the date of this CG Overview Statement.

The Board and/or the Directors individually will on a continuous basis, evaluate and determine the relevant programmes, seminars, briefings or dialogues available that would best enable them to enhance their knowledge and contributions to the Board.

The Board believes that continuous training for Directors is vital for the Board members to evaluate their skills and knowledge and to enable them to discharge their duties effectively. As such, the Directors will attend the necessary training programmes, conferences, seminars and/or forums so as to keep themselves abreast with the latest economic and corporate developments as well as new regulations and statutory requirements.

The Board is also regularly updated by the Company Secretaries on the latest update/amendments to the relevant regulatory requirements, corporate governance and sustainability relating to the discharge of the Directors' duties and responsibilities.

During the FYE 2024, the training programmes, seminars, conferences and webinars attended by the Directors were as follows:-

Directors	Title of Training Programmes/Seminars/Conferences/Forum/Webinars
Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah	- Management of Cyber Risk
Dato' Sydney Lawrance Quays	- Conflict of Interest ("COI") and Governance of COI - Advocacy Sessions for Directors and Chief Executive Officers of Main Market Listed Issuers - Management of Cyber Risk
Tan Thiam Chai	- Employee Exposure to Constructive Dismissal Suits in Resignation Cases - Advocacy Sessions for Directors and Chief Executive Officers of Main Market Listed Issuers - International Financial Reporting Standards S1 and S2 – Beyond Compliance - Fraud Risk and Enterprise Risk - Anti-Bribery & Anti-Corruption Awareness Programme - Ernst & Young C-Suite Forum 2024 - E-Invoicing Tax Workshop by Inland Revenue Board of Malaysia
Chryseis Tan Sheik Ling	- Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Dato' (Dr) Mustapha Bin Abd Hamid	- Enterprise Risk Management - The Emergency of Boardroom Dynamics in Governance
Datin Chee Yoke Kuan	- Conflict of Interest ("COI") and Governance of COI - Mandatory Accreditation Programme - Audit Committee Conference 2023 - Management of Cyber Risk - Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Wan Nor Aida Binti Wan Azmi	- Mandatory Accreditation Programme - The Emergency of Boardroom Dynamics in Governance

## Corporate Governance Overview Statement

### Appointment to the Board

The members of the Nomination Committee, which comprises exclusively Non-Executive Directors with a majority of them being Independent Directors are as follows:-

Datin Chee Yoke Kuan	- Chairman/Independent Non-Executive Director
Wan Nor Aida Binti Wan Azmi	- Member/Independent Non-Executive Director
Tan Thiam Chai	- Member/Non-Independent Non-Executive Director

The Chairman of the Nomination Committee, Datin Chee Yoke Kuan is an Independent Director and this composition is aligned with the recommendation of Practice 5.8 of the MCCG.

The composition, authority as well as the duties and responsibilities of the Nomination Committee are set out in its TOR, which is available on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

The Board delegates to the Nomination Committee the responsibility of making recommendations on any potential candidate for the appointment as a new Director. The Nomination Committee is responsible to ensure that the procedures for appointing new Directors are transparent, rigorous and are made based on merits and in the best interest of the Company.

In compliance with the Listing Requirements of Bursa Securities, the Company has in place a Directors' Fit and Proper Policy which sets out the selection criteria that Nomination Committee use as part of its assessment for the appointment and/or re-election of Directors.

The process for the appointment of a new Director is summarised in the sequence as follows:-

1. The candidate identified upon the recommendation by the existing Directors' network and referrals from incumbent Directors and business associates, senior management or major shareholders, independent search firms and/or other independent sources;
2. In evaluating the suitability of a candidate for appointment to the Board, the Nomination Committee considers, inter-alia, the competency, experience, commitment, contribution and integrity of the candidate, and in the case of a candidate proposed for appointment as Independent Non-Executive Director, the candidate's independence;
3. Potential candidate is required to undertake the fit and proper assessment prior to the appointment;
4. Recommendation shall then be made by Nomination Committee to the Board. This also includes recommendation for appointment as a member of the various Board Committees, where necessary; and
5. Decision to be made by the Board on the proposed new appointment, including appointment to the various Board Committees as recommended by the Nomination Committee.

### Annual Assessment

The Nomination Committee reviews annually, the effectiveness of the Board and Board Committees as well as the performance of individual Directors. The annual evaluation involves individual Directors and Committee members completing separate evaluation questionnaires regarding the processes of the Board and its Committees, their effectiveness and areas where improvements could be considered. The criteria for the evaluation are guided by the CG Guide issued by Bursa Malaysia Berhad. The evaluation process also involved a peer and self-review assessment, where each Director will assess their own performance and that of their fellow Directors. The outcome of the assessments and comments by all Directors were summarised and discussed at the Nomination Committee meeting and were then reported to the Board at the Board Meeting held thereafter. All assessments and evaluations carried out by the Nomination Committee in the discharge of its duties are properly documented.

## Corporate Governance Overview Statement

During the FYE 2024, the Nomination Committee has carried out the following activities:-

- (i) Reviewed and assessed the mix of skills, expertise, composition, size and experience of the Board;
- (ii) Reviewed and assessed the performance of each individual Director, independence of the Independent Directors, effectiveness of the Board and Board Committees;
- (iii) Reviewed the performance of the Audit and Risk Management Committee and its members;
- (iv) Reviewed the financial literacy assessment for each of the Audit and Risk Management Committee members;
- (v) Recommended to the Board the re-election of Directors who are due for retirement by rotation for shareholders' approval at the Annual General Meeting ("AGM");
- (vi) Reviewed and recommended to the Board for approval the revised board diversity policy;
- (vii) Reviewed and recommended to the Board for approval the revised TOR of Nomination Committee; and
- (viii) Reviewed and recommended to the Board for proposed redesignation of Chief Executive Officer to Group Chief Executive Officer.

### Re-election of Directors

Clause 117 of the Company's Constitution provides that at least one-third (1/3) of the Directors shall retire by rotation and they are eligible to seek re-election at each AGM and that each Director shall submit himself/herself for re-election once every three (3) years.

At the forthcoming Fifteenth AGM, the following Directors ("Retiring Directors") are due for retirement and are eligible for re-election pursuant to Clause 117 of the Company's Constitution:-

Directors	Retiring Pursuant to
1) Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah	Clause 117
2) Chryseis Tan Sheik Ling	Clause 117

The Board through the Nomination Committee had undertaken an annual assessment evaluation as well as fit and proper assessment on the Retiring Directors in accordance with the provisions of the Companies Act 2016, the Constitution and the Directors' Fit and Proper Policy of the Company.

All the Retiring Directors have completed their respective declaration on the fitness and propriety, contribution and performance and calibre and personality in accordance with the Directors' Fit and Proper Policy of the Company as well as the confirmation of their independence (as the case may be).

Based on the results of the assessment conducted, the Nomination Committee was satisfied with the favourable evaluation of the overall performance and contributions of the Retiring Directors and the Retiring Directors have fulfilled the fit and proper criteria in accordance to the Fit and Proper Policy of the Company. Accordingly, Nomination Committee recommended to the Board for re-election of the Retiring Directors. The Board has deliberated and endorsed the Nomination Committee's recommendation and supports the re-election of Retiring Directors for approval by the shareholders at the forthcoming Fifteenth AGM. The Retiring Directors had abstained from deliberations and decisions on their re-election at the Board Meeting.

The profiles of the Retiring Directors are set out in the Profile of Directors in the Company's 2024 Annual Report.



## Corporate Governance Overview Statement

### Tenure of Independent Directors

Pursuant to Practice 5.3 of the MCCG, the tenure of an Independent Director does not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Directors' re-designation as a Non-Independent Director. The MCCG also sets out a recommendation that the Board must justify and seek shareholders' approval through a two-tier voting in the event it retains an Independent Director who has served in that capacity beyond nine (9) years.

The Board is of the view that the independence of the Independent Directors should not be determined solely or arbitrarily by their tenure of service. The Board believes that continued contribution will provide stability and benefits to the Board and the Company as a whole, especially their invaluable knowledge of the Group and its operations gained through the years.

The calibre, qualification, experience and personal qualities, particularly of the Director's integrity and objectivity in discharging his/her responsibilities in the best interest of the Company should be the predominant factors to determine the ability of a Director to serve effectively as an Independent Director.

The Board is also confident that the Independent Directors themselves, after having provided all the relevant confirmations on their independence, will be able to determine if they can continue to bring independent and objective judgment during Board deliberations and decision making.

As at 30 June 2024, none of the Independent Directors of the Company has served the Board for a cumulative term of more than nine (9) years.

### Annual Assessment of Independence

The Board recognises the importance of independence and objectivity in its decision making process. The presence of the Independent Non-Executive Directors is essential in providing unbiased and impartial opinion, advice and judgment to ensure the interests of the Group, shareholders, employees, customers and other stakeholders in which the Group conducts its businesses are well represented and taken into account.

The Board, through the Nomination Committee, has assessed the independence of its Independent Non-Executive Directors on an annual basis based on the criteria set out in the Main Market Listing Requirements of Bursa Securities.

The current Independent Directors of the Company namely, Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah, Datin Chee Yoke Kuan and Wan Nor Aida Binti Wan Azmi have fulfilled the criteria of "independence" as prescribed under Chapter 1 of the Main Market Listing Requirements of Bursa Securities.

### Remuneration Policies and Procedures

The members of the Remuneration Committee, which comprises exclusively Non-Executive Directors with a majority of them being Independent Directors are as follows:-

Wan Nor Aida Binti Wan Azmi	- Chairman/Independent Non-Executive Director
Datin Chee Yoke Kuan	- Member/Independent Non-Executive Director
Tan Thiam Chai	- Member/Non-Independent Non-Executive Director

The composition, authority as well as the duties and responsibilities of the Remuneration Committee are set out in its TOR which is available on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

## Corporate Governance Overview Statement

The Board has adopted a Remuneration Policy to support the Directors and Key Senior Management in carrying out their responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value. The Board's objective in this respect is to offer a competitive remuneration package in order to attract, motivate, retain and reward Directors and Key Senior Management who will manage and drive the Company's success.

The Board has delegated to the Remuneration Committee to implement its Remuneration Policy. The primary function of the Remuneration Committee is to set up the policy framework and to recommend to the Board on remuneration packages and other terms of employment of the Executive Directors. The remuneration of Executive Directors is determined at levels which enables the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively.

The remuneration of Key Senior Management is determined at a level which enables the Company to attract, develop and retain high performing and talented individual with the relevant experience, level of expertise and level of responsibilities.

Both the remuneration of Executive Directors and Key Senior Management are structured to link rewards to the achievement of individual and corporate performance.

The Remuneration Committee is also responsible to review the remuneration packages of the Non-Executive Directors of the Company and thereafter recommend to the Board for their consideration with the Director concerned abstaining from deliberations and voting on decision in respect of his/her individual remuneration package. The Board recommended that the level of remuneration should reflect the experience and the level of responsibilities undertaken by each Non-Executive Director. The Board will then recommend the payment of the yearly Directors' fees and other benefits payable to Non-Executive Directors to the shareholders for approval at the AGM in accordance with Section 230(1) of the Companies Act 2016.

The Board will periodically review the Remuneration Policy and a copy is available on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

## Corporate Governance Overview Statement

Details of the Directors' remuneration paid or payable to all Directors of the Company (both the Company and the Group) and categorised into appropriate components for the FYE 2024 are as follows:-

### (a) Individual Directors on a named basis

#### Company

	RM						
	Fees	Allowance	Salaries	Bonus	Benefits in-kind	Other Emoluments	Total
<b>Executive Director</b>							
Dato' Sydney Lawrance Quays	-	-	169,200	39,600	-	26,215	235,015
<b>Non-Executive Directors</b>							
Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah	60,000	307,100	-	-	-	37,315	404,415
Dato' (Dr) Mustapha Bin Abd Hamid	60,000	7,400	-	-	-	-	67,400
Datin Chee Yoke Kuan	60,000	15,500	-	-	-	-	75,500
Wan Nor Aida Binti Wan Azmi	60,000	10,700	-	-	-	-	70,700
Tan Thiam Chai	-	-	-	-	-	-	-
Chryseis Tan Sheik Ling	-	-	-	-	-	-	-
	<b>240,000</b>	<b>340,700</b>	<b>169,200</b>	<b>39,600</b>	<b>-</b>	<b>63,530</b>	<b>853,030</b>

#### Group

	RM						
	Fees	Allowance	Salaries	Bonus	Benefits in-kind	Other Emoluments	Total
<b>Executive Director</b>							
Dato' Sydney Lawrance Quays	48,945	-	1,884,000	462,000	9,975	286,154	2,691,074
<b>Non-Executive Directors</b>							
Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah	60,000	307,100	-	-	-	37,315	404,415
Dato' (Dr) Mustapha Bin Abd Hamid	60,000	7,400	-	-	-	-	67,400
Datin Chee Yoke Kuan	60,000	15,500	-	-	-	-	75,500
Wan Nor Aida Binti Wan Azmi	60,000	10,700	-	-	-	-	70,700
Tan Thiam Chai	-	-	-	-	-	-	-
Chryseis Tan Sheik Ling	-	-	-	-	-	-	-
	<b>288,945</b>	<b>340,700</b>	<b>1,884,000</b>	<b>462,000</b>	<b>9,975</b>	<b>323,469</b>	<b>3,309,089</b>

## Corporate Governance Overview Statement

### (b) The Remuneration of top five (5) Senior Management in bands of RM50,000 on an aggregate basis

The number of top five (5) Senior Management and their total remuneration from the Group categorised into the various bands are as follows:-

	Number of Key Senior Management
RM400,001 - RM450,000	2
RM450,001 - RM500,000	1
RM550,001 - RM600,000	1
RM850,001 - RM900,000	1
	5

Although the MCCG has stipulated that the Company should disclose the detailed remuneration of the top five (5) Senior Management on a named basis, the Board has opined that it is not in the best interest of the Company to make such disclosures on the remuneration of the Senior Management due to the sensitivity of their remuneration package, privacy, competition and issue of staff poaching.

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### Audit and Risk Management Committee

The Audit Committee was renamed as the Audit and Risk Management Committee ("ARMC") with effect from 3 March 2011. The ARMC of the Company comprises three (3) members, all of whom are Non-Executive Directors with a majority of them being Independent Directors. The members are as follows:-

Datin Chee Yoke Kuan	- Chairman/Independent Non-Executive Director
Wan Nor Aida Binti Wan Azmi	- Member/Independent Non-Executive Director
Tan Thiam Chai	- Member/Non-Independent Non-Executive Director

The Chairman of the ARMC is appointed by the Board and is not the Chairman of the Board. The composition, authority as well as the duties and responsibilities of the ARMC are set out in its TOR and a copy is available on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

The members of the ARMC possess a mix of skill, knowledge and appropriate level of expertise and experience to enable them to discharge their duties and responsibilities pursuant to the TOR of the ARMC. In addition, the ARMC members are financially literate and are able to understand, analyse and challenge matters under purview of the ARMC including the financial reporting process.

The Board is responsible to ensure the annual financial statements are prepared in accordance with the provisions of the Companies Act 2016 and the applicable financial reporting standards in Malaysia. In presenting the annual financial statements and quarterly announcement of results, the Board seeks to provide shareholders with a clear, balanced and understandable assessment of the Group's financial position and prospects. The ARMC assists the Board to discharge its duties in financial reporting by ensuring the reliability and integrity of the Group's accounting and financial reporting process and to ensure the financial statements give a true and fair view in accordance with the provisions of the Companies Act 2016 and the applicable financial reporting standards in Malaysia. In addition, the ARMC reviews the annual financial statements and quarterly financial results before they are recommended to the Board for approval.



## Corporate Governance Overview Statement

Besides overseeing the Group's accounting and financial reporting process, ARMC is also responsible to assist the Board to review the nature, scope and results of the external audit, its cost effectiveness and the independence and objectivity of the External Auditors, to oversee and monitor the Group internal audit functions, oversees recurrent related party transactions, risk management activities and other activities such as governance matters. A summary of the activities undertaken by the ARMC during the financial year are set out in the ARMC Report in this Annual Report.

The performance of the ARMC is reviewed annually by the Nomination Committee. Based on the evaluation, the Nomination Committee concluded that the ARMC has been effective in its performance and has carried out its duties in accordance with its TOR during the FYE 2024.

### Assessment of External Auditors

The Board maintains a transparent and professional relationship with the External Auditors through the ARMC. Under the existing practice, the ARMC invites External Auditors to attend its meetings at least twice a year to discuss their audit plan and their audit findings on the Company's annual financial statements. In addition, the ARMC will also have private meetings with the External Auditors without the presence of the Group Chief Executive Officer and Senior Management to enable exchange of views on issues requiring attention.

The ARMC has put in place an External Auditors Policy ("EA Policy") which outlines the policies and procedures for the ARMC to govern the assessment and to monitor the External Auditors. The EA Policy covers, among others, the appointment of External Auditors, assessment of External Auditors, independence of External Auditors, non-audit services including the need to obtain approvals from the Group Chief Financial Officer (if any)/Executive Director/Head of Group Accounts or the ARMC for non-audit work up to a certain threshold and the annual reporting and rotation of the External Audit Engagement Partner. In addition, the EA policy also included a requirement for a former audit partner to observe a cooling-off period of at least three (3) years before they can be considered for appointment as a member of the ARMC and/or the Board.

The Board has delegated to the ARMC to perform an annual assessment on the quality of the audit which encompassed the performance and calibre of the External Auditors and their independence, objectivity and professionalism. The assessment process involves identifying the areas of assessment, setting the minimum standards and devising tools to obtain the relevant data. The areas of assessment include among others, the calibre of the audit firm, quality processes/performance, audit team, independence and objectivity, audit scope and planning, audit communications and audit fees of the External Auditors. Assessment questionnaires were used as a tool to obtain input from the Company's personnel who had constant contact with the external audit team throughout the year.

To support the ARMC's assessment of their independence, the External Auditors will provide the ARMC with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. The External Auditors are required to declare their independence annually to the ARMC as specified in the By-Laws issued by the Malaysian Institute of Accountants and the International Code of Ethics for Professional Accountants. The External Auditors have included such declaration in their presentation of the annual audit plan to the ARMC of the Company.

The ARMC also ensures that the External Auditors are independent of the activities they audit and will review the contracts for provision of non-audit services by the External Auditors. The recurring non-audit services were in respect of tax compliance and the annual review of the Statement on Risk Management and Internal Control.

## Corporate Governance Overview Statement

During the FYE 2024, the amount of non-audit fees paid/payable to the External Auditors and its affiliates by the Company and the Group respectively for the FYE 2024 were as follows:-

	Company		Group	
	FYE 2024	FYE 2023	FYE 2024	FYE 2023
	RM	RM	RM	RM
Statutory audit fees paid/payable to:-				
- Ernst & Young ("EY") Malaysia	181,000	149,000	569,600	426,983
- Affiliates of EY Malaysia	-	-	26,000	19,836
Total (a)	181,000	149,000	595,600	446,819
Non-audit fees paid/payable to:-				
- EY Malaysia	17,200	15,485	88,029	66,850
- Affiliates of EY Malaysia	-	-	10,390	9,918
Total (b)	17,200	15,485	98,419	76,768
% of non-audit fees (b/a)	10%	10%	17%	17%
Non recurring non-audit fees	172,087	-	172,087	-

In considering the nature and scope of non-audit fees, the ARMC was satisfied that they were not likely to create any conflict or impair the independence and objectivity of the External Auditors.

Upon completion of the assessment, the ARMC will make recommendation for re-appointment of the External Auditors to the Board for its deliberation and approval. The Board concurred with the ARMC's recommendation and agreed to table the proposed re-appointment of the External Auditors to the shareholders for approval at the Company's forthcoming AGM.

### Risk Management and Internal Control

The Board has delegated and entrusted the ARMC which comprises a majority of Independent Directors, with the overall responsibility to regularly review and monitor risk management activities of the Group and all internal controls and to approve appropriate risk management procedures and measurement methodologies.

The key aspects of the Risk Management process are as follows:-

- (i) The business units are required to identify the risks relevant to their business;
- (ii) The risks are then assessed based on the probability of their occurrence and are evaluated as low, medium or high. The level of residual risk is determined after evaluating the effectiveness of controls and mitigating measures;
- (iii) The business units develop control procedures or actions plans to either prevent the occurrence or reduce the impact upon its occurrence;
- (iv) The business units are required to update their risk profiles and review their processes in monitoring the risks periodically; and
- (v) On a quarterly basis, the business units are required to prepare a report summarising the significant risks and status of action plan. Selected reports will be submitted to the ARMC for review and deliberation.

## Corporate Governance Overview Statement

The Company continues to maintain and review its risk management and internal control procedures to ensure, as far as possible, the protection of its assets and its shareholders' investments.

The details of the risk management and system of internal control of the Company are set out in the Statement on Risk Management and Internal Control of this Annual Report.

### Internal Audit Function

The Board acknowledges its overall responsibility for the Group's system of internal control and its effectiveness as well as reviewing its adequacy and integrity to safeguard the Group's assets and the shareholders' investments.

The internal audit function of the Company is outsourced to the Group Internal Audit Division of the ultimate holding company, Berjaya Corporation Berhad and they are free from any relationships or conflict of interest that could impair their objectivity and independence. The Internal Auditors reports directly to the ARMC and carries out their internal audit based on the audit plans approved by the ARMC. The Internal Auditors assist the Board in providing independent assessment on the adequacy and effectiveness of the governance, risk management and internal control processes for the purposes of safeguarding the Group's assets and the shareholders' investments.

The Internal Auditors are responsible for preparing and tabling the Internal Audit Reports on a quarterly basis to the ARMC and to highlight areas for improvement for each of the operating units within the Group. The Internal Auditors will follow up closely on the areas highlighted to determine the extent of the implementation of their recommendation and to ensure that they are satisfactorily resolved by the Management.

The summary of the activities undertaken by the Internal Auditors during the FYE 2024 is set out in the ARMC Report.

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### Communication with Stakeholders

The Company strives to maintain an open transparent channel of communication with its stakeholders such as shareholders, institutional investors, analysts and the public at large with the objective of providing as clear and complete picture of the Group's performance and financial position as possible. The provision of timely information is of paramount importance to assist the shareholders and investors to make an informed decision on their investments. However, whilst the Company endeavours to provide as much information as possible to its shareholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

The various channels of communications with stakeholders are through the following: -

- (i) the quarterly announcements on financial results and other periodical or relevant announcement to Bursa Securities;
- (ii) circulars and annual reports;
- (iii) general meetings of shareholders;
- (iv) meetings with investors, analysts and fund managers and briefings where appropriate; and
- (v) the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/) where shareholders can have easy access to the Company's corporate information such as the Board Charter, TOR of the Board Committees, Company Policies, press releases, financial information, Company announcements and others.

The above channels of communication will help to enhance stakeholders' understanding of the business and operations of the Group and to make informed investment decisions.

## Corporate Governance Overview Statement

### Conduct of General Meetings

The Company regards the AGM as the principal forum for dialogue and interactions with private and institutional shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with and constructive feedback from the Company's shareholders. At each AGM, the Board presents the progress and performance of the Company's businesses and shareholders are encouraged to participate in the proceedings and question and answer session and thereafter to vote on all resolutions. The External Auditors will also be present to provide professional and independent clarification on issues and concerns raised by the shareholders in connection with the Audited Financial Statements.

The Chairman, Group Chief Executive Officer and other Directors present will respond to questions posed by the shareholders/proxies at the AGM.

The Company despatches a Notification to Shareholders in respect of Fourteenth AGM of the Company to the shareholders of the Company to notify them that the following documents can be viewed and downloaded from the website of the Company and Bursa Securities at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/) and [www.bursamalaysia.com](http://www.bursamalaysia.com) respectively:-

- (a) Annual Report;
- (b) Notice of AGM, Form of Proxy and Administrative Guide; and
- (c) Circular/Statement to Shareholders.

The notice of AGM was issued to the shareholders of the Company at least twenty-eight (28) days before the AGM. The additional time given to shareholders allows them to make the necessary arrangements to attend and participate in person or through corporate representatives, proxy or attorneys. More importantly, it enables the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting. Each item of special business included in the Notice of AGM is accompanied by a brief explanatory statement on the proposed resolution to facilitate a better understanding and evaluation of issues involved.

The shareholders are allowed to submit the questions prior to the AGM via email to the poll administrator and they are given sufficient time and opportunity to participate in the question and answer sessions with regard to the proposed resolutions, the Group's financial performance and operations at AGM.

### Poll Voting

Pursuant to Clause 82 of the Constitution of the Company and Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, the Company is required to ensure that all resolutions set out in the notice of general meetings are voted by poll.

At the Company's previous Fourteenth AGM held on 13 December 2023, all the resolutions passed by the shareholders at the said AGM were voted by way of a poll. In providing a more efficient and wide-spread of remote shareholders' participation at general meetings, the Company had conducted its Fourteenth AGM virtually through live streaming from broadcast venue and online remote voting via Remote Participation and Voting facilities ("RPV Facilities") provided by the Poll Administrator of the Company, SS E Solutions Sdn Bhd via Securities Services e-Portal's platform at <https://sshsb.net.my/>. Shareholders who registered for remote participation via Securities Services e-Portal joined the live streaming of the proceeding of the AGM and posed questions to the Board via real time submission of typed texts and also casted their votes online via RPV Facilities at the AGM.



## Corporate Governance Overview Statement

The Administrative Guide for the AGM with detailed registration and voting procedures were made available and can be viewed and downloaded from the website of the Company and Bursa Securities at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/) and [www.bursamalaysia.com](http://www.bursamalaysia.com) respectively. The Company had appointed SS E Solutions Sdn Bhd as poll administrators to conduct the polling process on all resolutions tabled at the AGM and Commercial Quest Sdn Bhd as the independent scrutineers to verify the poll results. The independent scrutineers announced the poll results of the AGM with details on the number of votes cast for and against for each resolution together with the respective percentages which were simultaneously displayed on the screen. The poll results were also announced to Bursa Securities on the same day by the Company. The minutes of the Fourteenth AGM, confirmed and signed by the Chairman, was made available on the Company's website after the AGM.

This CG Overview Statement was approved by the Board of the Company on 16 October 2024.

# Statement on Risk Management and Internal Control

## INTRODUCTION

The Board of Directors ("the Board") of Berjaya Food Berhad ("BFood" or "the Group") is committed to maintaining a sound system of risk management and internal controls to provide for a platform for Group's business objectives to be achieved. The Board sets out below the nature and scope of the risk management and internal controls of the Group.

## RESPONSIBILITY

The Board of BFood recognises that the Board 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 Group's system of internal control is designed to manage the principal business risks that may impede the Group from achieving its business objectives. Due to the limitations that are inherent in any system of internal control, the Group's internal control system cannot completely eliminate the risk of failure to achieve its business objectives. The system can only provide reasonable assurance against material misstatement or loss.

The Board has undertaken a review of the adequacy and effectiveness of the risk management and internal control system and concluded that the risk management and internal control system is adequate and effective. Further, the Board has obtained assurance from the Group Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") that the Group's governance, risk management and internal control system is operating adequately and effectively, in all material aspects.

## MANAGEMENT STYLE AND CONTROL CONSCIOUSNESS

The Group is involved in various food related businesses. These business interests are operated by the subsidiaries of the Group. Management of the day-to-day affairs of the Group's various subsidiaries are assigned to local management who are accountable for the conduct and performance of their subsidiaries within agreed business strategies. The Group CEO and CFO attend various scheduled management meetings as well as conducting regular reviews of financial and operational reports. These provide the platform for timely identification of the Group's risks and development of systems to manage those risks. The Group CEO and CFO regularly updates the Boards on any significant matters.

## INTERNAL CONTROL PROCESSES

The key aspects of the internal control process are as follows:

- The business units identify the areas of control relevant to their business, design the internal control procedures and document the procedures in manuals.
- The internal auditors of the Group establish the annual audit plan and table the plan to the Audit and Risk Management Committee ("ARMC") for review and approval.
- The internal auditors perform the audit and present their audit reports to the ARMC, highlighting any shortcomings by the business units in implementing the controls and the remedial procedures required to be implemented by the business units.

## Statement on Risk Management and Internal Control

### ASSURANCE MECHANISM

The Board has assigned the ARMC with the duty of reviewing and monitoring the effectiveness of the Group's system of internal control. The internal auditors furnish the ARMC with reports from visits conducted at various subsidiaries, as well as from the external auditors on areas for improvement identified during the course of their statutory audit.

The Board also reviews the minutes of the meetings of the ARMC. The Report of the ARMC is set out on pages 114 to 118 of the Annual Report.

### KEY FEATURES OF THE INTERNAL CONTROL SYSTEM

The Group has an extensive system of internal control that enables the management to ensure that established policies, guidelines and procedures are followed and complied with. Some key features of BFood's system of internal control, include:

1. Clear organisation structure with delineated reporting lines
2. Defined levels of authority
3. Capable workforce with ongoing training efforts
4. Centralised human resource function which outlines procedures for recruitment, training, appraisal and the reward system
5. Timely financial and operations reports
6. Scheduled operations and management meetings
7. Centralised procurement function that ensures approval procedures are adhered to, as well as to leverage on the Group's purchasing power
8. Payment functions controlled at Head office
9. Regular visits to the operating units of the Group's businesses by the Group CEO and senior management personnel
10. Independent assurance on the system of internal control from regular internal audit visits

### INTERNAL CONTROL FUNCTION

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. In this respect, the ARMC provides oversight of the internal audit function to monitor and assess the effectiveness of the internal control system. Observations from internal audits were presented to the ARMC together with management's response and proposed action plans for its review. The action plans were then followed up during subsequent internal audits with implementation status reported to the ARMC.

The internal audit function is outsourced to the Group Internal Audit Division of Berjaya Corporation Berhad, which reports directly to the ARMC. The scope of work covered by the internal audit function is determined by the ARMC after careful consideration and discussion of the audit plan with the Board.

## Statement on Risk Management and Internal Control

### WHISTLEBLOWING POLICY

The Group has a whistleblowing policy, which provides an avenue for employees, third party service providers, independent contractors, vendors and suppliers and members of the public to raise genuine concerns, disclose alleged, suspected or actual wrongdoings or known improper conduct on a confidential basis without fear of any form of victimisation, harassment, retribution or retaliation. The whistleblowing policy is published on the Company's website.

### ANTI-BRIBERY AND CORRUPTION POLICY

In response to Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Group has established its Anti-Bribery and Corruption Policy, titled Adequate Procedures To Curb and Prevent Bribery and Corruption - T.R.U.S.T. Concept. The Group and affiliated companies strictly adopt a zero-tolerance policy approach against all forms of bribery and corruption in its daily operations, and take all reasonable and appropriate measures to ensure that all its directors and employees are committed to act professionally and with integrity in all their business dealings and not participate in any corrupt activities for its advantage or benefit.

The Adequate Procedures to Curb and Prevent Bribery and Corruption - T.R.U.S.T. Concept is published on the Company's website.

### RISK MANAGEMENT

In line with the Malaysian Code of Corporate Governance, and as part of the Company's plans to further enhance the Group's system of internal control, it has established a risk management system. The Board entrusts the ARMC with the overall responsibility to regularly review and monitor the risk management activities of the Group, in accordance with the Internal Control Guidance, and to approve appropriate risk management procedures and measurement methodologies.

### RISK MANAGEMENT PROCESS

The key aspects of the risk management process are as follows:

- The business units are required to identify the risks relevant to their businesses.
- The risks are then assessed based on the probability of their occurrence and are evaluated as Low, Medium or High. The level of residual risk is determined after evaluating the effectiveness of controls and mitigating measures.
- The business units develop control procedures or action plans to either prevent the occurrence or reduce the impact upon its occurrence.
- The business units are required to update their risk profiles and review their processes in monitoring the risks periodically.
- On a quarterly basis, the business units are required to prepare a report summarising the significant risks and status of action plan. Selected reports will be submitted to the ARMC for review and deliberation.

For the financial year ended 30 June 2024, the ARMC held (4) meetings where it reviewed and evaluated the adequacy of risk management activities of various unlisted operating subsidiary companies (i.e. Bestari Food Trading Sdn Bhd (Formerly known as Berjaya Food Trading Sdn Bhd), Berjaya Food Supreme Sdn Bhd, Berjaya Kelava Sdn Bhd and Ser Vegano Sdn Bhd and recommended certain measures to be adopted to mitigate their business risk exposures.



## Statement on Risk Management and Internal Control

### REVIEW BY EXTERNAL AUDITORS

The external auditors have performed limited assurance procedures on the Statement on Risk Management and Internal Control ("SRMIC") pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3 (previously the Recommended Practice Guide 5 (Revised 2015), Guidance for Auditors on Engagements to Report on the SRMIC included in the Annual Report issued by the Malaysian Institute of Accountants), for the year ended 30 June 2024, and reported to the Board that nothing has come to their attention that causes them to believe the SRMIC intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the SRMIC: Guidelines for Directors of Listed Issuers, nor is the SRMIC factually inaccurate. AAPG 3 does not require the auditors to consider whether the Directors' SRMIC covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon. The report from the external auditors was made solely to the Board in connection with their compliance with the Listing Requirements of Bursa Malaysia Securities Berhad and for no other purposes or parties. The external auditors do not assume responsibility to any person other than the Board in respect of any aspect of this report.

### CONCLUSION

The Board remains committed towards operating a sound system of internal control and recognises the need for the system to continuously evolve to support the types of businesses and size of operations of the Group. The Board, in striving for continuous improvement will put in place appropriate action plans, when necessary, to further enhance the Group's system of internal control.

The system of internal control was satisfactory and has not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report.

# Audit and Risk Management Committee Report

The Board of Directors of Berjaya Food Berhad ("BFood") is pleased to present the report of the Audit and Risk Management Committee ("ARMC") for the financial year ended 30 June 2024.

## COMPOSITION OF ARMC

The members of the ARMC are as follows:-

Datin Chee Yoke Kuan  
- *Chairman/Independent Non-Executive Director*

Wan Nor Aida Binti Wan Azmi  
- *Independent Non-Executive Director*

Tan Thiam Chai  
- *Non-Independent Non-Executive Director*

The ARMC comprises three (3) members and all of them are Non-Executive Directors with a majority of them being independent directors. The Chairman of the ARMC is a member of the Malaysian Institute of Accountants ("MIA") and a fellow member of the Association of Chartered Certified Accountants. Mr Tan Thiam Chai and Wan Nor Aida Binti Wan Azmi are also members of the MIA and fellow members of the Association of Chartered Certified Accountants. None of the ARMC members is an alternate director. Accordingly, the composition of the ARMC has complied with Paragraph 15.09 (1) and (2) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Chairman of the ARMC is an Independent Non-Executive Director of the Company and she is not the Chairman of the Board. This composition has complied with Paragraph 15.10 of the MMLR of Bursa Securities and also in line with the recommendation of Practice 9.1 of the Malaysian Code on Corporate Governance.

## MEETINGS

The ARMC held five (5) meetings during the financial year ended 30 June 2024. The details of attendance of the ARMC members are as follows:-

Name	Attendance
Datin Chee Yoke Kuan	5/5
Wan Nor Aida Binti Wan Azmi	5/5
Tan Thiam Chai	5/5

The ARMC meetings were convened with proper notices and agenda and these were distributed to all members of the ARMC with sufficient notification. The minutes of each of the ARMC meetings were recorded and tabled for confirmation at the next ARMC meeting and thereafter tabled at the Board Meeting for the Directors' review and notation.

The Group Chief Executive Officer was invited to attend all the ARMC meetings to report on the overall operations of the Company and its subsidiaries ("the Group") while the senior management of the relevant operations was invited to provide clarification on the audit and risk related issues of their respective operations. The Chief Financial Officer of the Company and Berjaya Corporation Berhad as well as the General Manager of Group Internal Audit were also invited to attend the ARMC meetings. The External Auditors were invited to attend three (3) of these meetings.

## Audit and Risk Management Committee Report

### SUMMARY OF ACTIVITIES AND WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The duties and responsibilities of the Audit and Risk Management Committee ("ARMC") are set out in its Terms of Reference, a copy of which is available at the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

In discharging its duties and responsibilities, the ARMC had undertaken the following activities and work during the financial year ended 30 June 2024:-

#### Financial Reporting

- (a) Reviewed the quarterly financial results including the draft announcements pertaining thereto and made recommendations to the Board for approval of the same as follows:-

Date of Meetings	Review of Quarterly Financial Results
14 August 2023	Fourth quarter results as well as the unaudited results of the Group for the financial year ended 30 June 2023
15 November 2023	First quarter results for financial year ended 30 June 2024
21 February 2024	Second quarter results for financial year ended 30 June 2024
23 May 2024	Third quarter results for financial year ended 30 June 2024

The above review was to ensure that the Company's quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and performance and were in compliance with the Malaysian Financial Reporting Standard ("MFRS") 134- Interim Financial Reporting Standards in Malaysia and International Accounting Standard 34- Interim Financial Reporting as well as the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

- (b) Reviewed the audited financial statements of the Company and the Group for the financial year ended 30 June 2023 together with the Management and the External Auditors at its meeting held on 11 October 2023 and to ensure that it presented a true and fair view of the Company's financial position and performance for the year and it is in compliance with regulatory requirements before recommending the audited financial statements to the Board for approval. Prior to that, the ARMC had reviewed the status report on the Audit Plan for the financial year ended 30 June 2023 prepared by the External Auditors at the meeting held on 14 August 2023.

#### External Audit

- (a) Evaluated the performance of the External Auditors for the financial year ended 30 June 2023 covering areas such as calibre of external audit firm, quality processes/performance, audit team, independence and objectivity, audit scope and planning, audit communications and audit fees of the External Auditors. The ARMC, having been satisfied with the independence, suitability and performance of Messrs Ernst & Young PLT ("EY"), had recommended to the Board for approval of the re-appointment of EY as External Auditors for the ensuing financial year of 30 June 2024 at its meeting held on 11 October 2023.
- (b) Discussed and considered the significant accounting adjustments and auditing issues arising from the interim audit as well as the final audit with the External Auditors including the key audit matters which were raised in the external auditors' report for the financial year ended 30 June 2023.

The ARMC also had private discussions with the External Auditors on 14 August 2023, 11 October 2023 and 23 May 2024, without the presence of Management during the review of the audited financial statements for the year ended 30 June 2023 and also the audit plan for year ended 30 June 2024 to discuss any problems/issues arising from the previous year final audit, proper disclosure of information and the assistance given by the employees during the course of audit by External Auditors. However, there was no major issue raised during the private session.

## Audit and Risk Management Committee Report

- (c) Reviewed with the External Auditors at the meeting held on 23 May 2024, their audit plan for the financial year ended 30 June 2024, outlining the EY client service team, audit emphasis, audit quality, auditors' independence, digital audit, audit timeline, digital roadmap, materiality in planning and performing audit, assessment of internal control environment, fraud considerations and the risk of management override of controls, group audit scoping, management's expert, integrating technology risk based approach into the overall audit approach as well as the updates on the Environmental, Social and Governance and Tax updates.

### Internal Audit

- (a) Reviewed the Internal Audit Reports on the Company's subsidiaries namely, Bestari Food Trading Sdn Bhd (Formerly known as Berjaya Food Trading Sdn Bhd) ("BFT"), Berjaya Kelava Sdn Bhd ("BKelava"), Ser Vegano Sdn Bhd ("SALA") and Berjaya Food Supreme Sdn Bhd ("BFood Supreme") during the financial year under review. The ARMC also reviewed the audit findings, Internal Auditors' recommendations to improve any weaknesses or non-compliance together with the Management's responses from the respective business units and the timeline taken by Management to ensure the deficiencies are addressed promptly. The Internal Auditors monitored the implementation of Management's action plan on outstanding issues through follow up reports to ensure that all key risks and control weaknesses are being properly addressed.
- (b) Reviewed and approved the Internal Audit Plan for the financial year ending 30 June 2025 to ensure that the scope and coverage of the internal audit on the operations of the BFood Group is adequate, comprehensive and that all the risk areas are audited annually.
- (c) Assessed the adequacy of the scope, competency and performance of internal audit function and its effectiveness of the audit processes for the financial year ended 30 June 2023.

### Recurrent Related Party Transactions

- (a) Reviewed the 2023 Circular to Shareholders in connection with the Recurrent Related Party Transactions ("RRPT") that arose within the Group to ensure that the transactions are fair and reasonable to, and are not to the detriment of, the minority shareholders.

The framework set up for identifying and monitoring the RRPT includes inter-alia, the following:-

- (i) The transaction prices are based on prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;
- (ii) The related parties and interested Directors will be notified of the method and/or procedures of the RRPT for the BFood Group;
- (iii) Records of RRPT will be retained and compiled by the Group accountant for submission to the ARMC for review;
- (iv) The ARMC is to provide a statement that it has reviewed the terms of the RRPT to ensure that such transactions are undertaken based on terms not more favourable to the related parties than those generally available to the public, are not detrimental to the minority shareholders and are in the best interest of the BFood Group;
- (v) The ARMC also reviewed the procedures and processes with regards to the RRPT on a half yearly basis to ensure that the transactions are within the approved mandate;
- (vi) Directors who have any interest in any RRPT shall abstain from Board deliberations and voting and will ensure that they and any person connected with them will also abstain from voting on the resolution(s) at the Extraordinary General Meeting or Annual General Meeting to be convened for the purpose; and



## Audit and Risk Management Committee Report

(vii) Disclosures will be made in the annual report on the breakdown of the aggregate value of the RRPT during the financial year, among others, based on the following information:-

- (a) the type of the RRPT made; and
- (b) the names of the related parties involved in each type of the RRPT made and their relationships with the BFood Group.

### Risk Management Activities

- (a) Reviewed the risk management activities on the Company's subsidiaries namely, BFT, BKelava, SALA and BFood Supreme including the risk descriptions, risk mitigation strategies and controls and its existing controls to ensure the business activities and risk areas are re-aligned and enhanced on an on-going basis.
- (b) Reviewed the summary of the risk register covering areas such as the likelihood of occurrence, the impact of the risks, risk score, risk treatment, risk owner and control effectiveness to ensure that the management of the relevant risks is appropriately placed within the Group.

### Other Activities

- (a) Reviewed and recommended to the Board for approval, the ARMC Report, Corporate Governance Report, Corporate Governance Overview Statement, Directors' Responsibility Statement in respect of the audited financial statements and Statement on Risk Management and Internal Control for inclusion in the 2023 Annual Report.
- (b) Reviewed and assessed the financial literacy of the ARMC members for the financial year ended 30 June 2023.
- (c) Reviewed and recommended to the Board the distribution of interim dividend for the financial year ended 30 June 2024 based on the solvency test conducted, that the distribution of dividend was in accordance with the provision made under the Companies Act 2016.
- (d) Reviewed and recommended to the Board for approval, the revised policies and procedures to prevent bribery and corruption pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009.
- (e) Reviewed and recommended to the Board for approval, the revised Whistleblowing Policies and Procedures.
- (f) Reviewed and approved the revised External Auditors Policy.
- (g) Reviewed and recommended to the Board for approval, the revised Terms of Reference of ARMC.
- (h) Reviewed and recommended to the Board for approval, the Conflict of Interest Policy.

### Conflict of Interest/Potential Conflict of Interest

On 27 August 2024, the ARMC has reviewed the annual declaration of conflict of interest and potential conflict of interest of Directors of the Company and Key Senior Management. There were no conflict of interest or potential conflict of interest being declared by any Director of the Company or Key Senior Management for the financial year ended 30 June 2024.

### Training

In order to discharge the above duties and responsibilities of ARMC effectively, the ARMC members had undertaken continuous professional development by having attended various seminars, training programmes and conferences during the financial year. They were also briefed by the External Auditors of the latest accounting and audit standards applicable to the Group. The list of training attended is disclosed in the Corporate Governance Overview Statement as set out in this Annual Report.

## Audit and Risk Management Committee Report

### SUMMARY OF WORK 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 Audit and Risk Management Committee ("ARMC") to discharge its duties and responsibilities. Their role is to provide the ARMC with independent and objective reports on the state of the governance, risk management, and internal controls of the operating units within the Group and the extent of compliance with the Group's established policies, procedures and statutory requirements.

The activities of Internal Audit are guided by Internal Audit Charter and the Internal Audit Division adopts a risk-based approach focusing on high risk areas. All high risk activities in each auditable area are audited annually.

For the financial year under review, the Internal Audit Division conducted audit assignments on the operating units of the Group involved in the development and operation of the "Starbucks Coffee" chain of cafes/retail stores in Brunei, "Kenny Rogers ROASTERS" chain of restaurants, "SALA" Tex-Mex vegan restaurants and production & distribution of local dairy-free ice cream under the brand of "KELAVA" in Malaysia.

The activities undertaken by the Internal Audit Division during the financial year ended 30 June 2024 included the following:

1. Tabled Internal Audit Plan for the ARMC'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 with opinion on the adequacy and operation effectiveness of the operating unit's governance, risk management and internal control processes, incorporating audit recommendations and Management's responses in relation to audit findings on weaknesses in the systems and controls to the ARMC and the management of the respective operations.
6. Presented internal audit reports to the ARMC for review.
7. Followed up review to ensure that the agreed internal audit recommendations are effectively implemented.

The cost incurred for the Internal Audit function in respect of the financial year ended 30 June 2024 was approximately RM249,000.00.

### PERFORMANCE OF AUDIT AND RISK MANAGEMENT COMMITTEE

The Board assessed and evaluated the performance of the Audit and Risk Management Committee ("ARMC") and its members through Nomination Committee for the financial year ended 30 June 2024. Based on the outcome of the annual assessment, the Board was satisfied with the performance of the ARMC and its members and concluded that they have effectively discharged their functions, duties and responsibilities in accordance with the Terms of Reference of the ARMC.

The Terms of Reference of the ARMC was last revised and reviewed by the ARMC and approved by the Board on 23 May 2024. The latest Terms of Reference of the ARMC can be viewed on the Company's website at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/).

# Statement of Directors' Responsibility

In Respect of the Audited Financial Statements

The directors are required by the Companies Act 2016 to prepare financial statements which give a true and fair view of the state of affairs of the Group and the Company at the end of each financial year and of their results and cash flows for the financial year then ended.

In preparing the financial statements, the directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable;
- ensured that applicable accounting standards have been complied with; and
- applied the going concern basis.

The directors are responsible for ensuring that the Group and the Company keep proper accounting records, which disclose with reasonable accuracy on the financial position of the Group and of the Company, and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016.

The directors are responsible for taking reasonable steps to safeguard the assets of the Group and the Company and to prevent and detect other irregularities.



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# 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 June 2024.

## PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are the development and operation of restaurant and café chains and retail outlets, in Malaysia and other South-East Asian countries, and investment holding.

## RESULTS

	<b>Group</b> <b>RM'000</b>	<b>Company</b> <b>RM'000</b>
Loss for the year	<u>(87,437)</u>	<u>(55,277)</u>
Attributable to:		
- Owners of the parent	(90,922)	(55,277)
- Non-controlling interests	<u>3,485</u>	<u>-</u>
	<u>(87,437)</u>	<u>(55,277)</u>

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 other than those disclosed in Note 26 to the financial statements.

## DIVIDENDS

**RM'000**

The dividends paid by the Company since 30 June 2023 were as follows:

### In respect of the financial year ended 30 June 2023

Fourth interim dividend of 0.50 sen per share single-tier dividend, paid on 26 September 2023	<u>8,771</u>
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### In respect of the financial year ended 30 June 2024

First interim dividend of share dividend via distribution of treasury shares on the basis of 1 treasury share for every 100 existing ordinary shares held (equivalent to a dividend of approximately 0.44 sen per share), credited into the entitled depositors' securities accounts maintained with Bursa Malaysia Depository Sdn Bhd on 29 December 2023	<u>7,741</u>
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Total dividend paid during the financial year ended 30 June 2024	<u>16,512</u>
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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 during the financial year and from the end of the financial year to the date of this report are:

Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah  
 Dato' Sydney Lawrance Quays  
 Dato' (Dr) Mustapha Bin Abd Hamid  
 Tan Thiam Chai  
 Chryseis Tan Sheik Ling  
 Datin Chee Yoke Kuan  
 Wan Nor Aida Binti Wan Azmi

The names of directors of the Company's subsidiaries in office during the financial year and from the end of the financial year to the date of this report excluding those who are also the directors of the Company are:

Azlan Shah Bin Alladin  
 Chin Wan Ching  
 Dato' Lee Kok Chuan  
 Dato' Sri Robin Tan Yeong Ching  
 Djeng Shih Kien \*  
 Lim Sing Pheng  
 Luis A/L Daniel  
 Mohammed Fauzi Bin Hussein Nazri #  
 Mark John Graham #  
 YAM Pengiran Muda Abdul Qawi  
 Ng Yong Teck, Simon \*  
 How Seng Huat  
 Tong Mee Theng  
 Frederick T. Siy  
 Noman Junne T. Raquel  
 Norazman Chung Chiew Mon Abdullah  
 Steven Anthony Soosay

(Appointed on 23.5.2024)  
 (Appointed on 23.5.2024)  
 (Appointed on 11.9.2023)  
 (Appointed on 11.9.2023)  
 (Appointed on 27.3.2024)  
 (Appointed on 4.3.2024)

\* Jollibean Foods Pte Ltd ceased as a subsidiary of the Group on 1 November 2023.

# Ser Vegano Sdn Bhd ceased as a subsidiary of the Group on 15 August 2024.

### 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.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amounts of emoluments received or due and receivable by the directors as shown in Note 27 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 the director is a member, or with a company in which the director has a substantial financial interest.

The Company maintained a Directors' and Officers' Liability Insurance in respect of any legal action taken against the directors and officers in the discharge of their duties while holding office for the Company and the Group. The total amount of insurance premium as at the financial year end effected for any director and officer of the Company was RM38,974. The directors and officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

## Directors' Report

### 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			
	At 1.7.2023	Acquired	Disposed	At 30.6.2024
<b>The Company</b>				
Duli Yang Amat Mulia Tunku Shazuddin				
Ariff Ibni Al Aminul Karim Sultan				
Sallehuddin, Tunku Mahkota Kedah	580,000	5,800 *	-	585,800
Dato' Sydney Lawrance Quays	4,240,000	42,400 *	-	4,282,400
(a) 50,000	50,000	500 *	-	50,500
Dato' (Dr) Mustapha bin Abd Hamid	905,000	8,050 *	(100,000)	813,050
Tan Thiam Chai	2,023,500	20,235 *	-	2,043,735

### Subsidiary companies:

	Number of ordinary shares			
	At 1.7.2023	Acquired	Disposed	At 30.6.2024
<b>Berjaya Kelava Sdn Bhd</b>				
Dato' Sydney Lawrance Quays	15,720	-	-	15,720

	Number of ordinary shares			
	At 11.9.2023	Acquired	Disposed	At 30.6.2024
<b>Berjaya Paris Baguette Philippines Inc. &amp;</b>				
Dato' Sydney Lawrance Quays	1,000	-	-	1,000

	Number of ordinary shares			
	At 4.3.2024	Acquired	Disposed	At 30.6.2024
<b>Berjaya Nordic (Denmark) ApS @</b>				
Dato' Sydney Lawrance Quays	252	-	-	252

### Ultimate holding company:

	Number of ordinary shares			
	At 1.7.2023	Acquired	Disposed	At 30.6.2024
<b>Berjaya Corporation Berhad ("BCorp")</b>				
Dato' Sydney Lawrance Quays	26	1 #	-	27
Tan Thiam Chai	152,671	9,160 #	-	161,831
(a) 128,979	128,979	7,738 #	-	136,717
Chryseis Tan Sheik Ling	486,026	29,161 #	-	515,187
(a) 80,000,000	80,000,000	4,800,000 #	(29,871,300)	54,928,700

### Number of 2% Irredeemable Convertible Unsecured Loan Stocks 2016/2026 of RM1.00 nominal value each

	At 1.7.2023	Acquired	Disposed	At 30.6.2024
Tan Thiam Chai	1,000	-	-	1,000

### Number of warrants 2016/2026

	At 1.7.2023	Acquired	Disposed	At 30.6.2024
Tan Thiam Chai	1,000	-	-	1,000

## Directors' Report

### Related companies:

	Number of ordinary shares			
	At 1.7.2023	Acquired	Disposed	At 30.6.2024
<b>Berjaya Land Berhad (“BLand”)</b>				
Tan Thiam Chai	40,000	-	-	40,000
Chryseis Tan Sheik Ling	5,000,000	-	-	5,000,000

		Number of ordinary shares			
		At 1.7.2023	Acquired	Disposed	At 30.6.2024
<b>Sports Toto Berhad (“SPToto”)</b>					
Tan Thiam Chai		175,456	3,509 ^	-	178,965
(a)		135,615	2,712 ^	-	138,327

	Number of ordinary shares			
	At 1.7.2023	Acquired	Disposed	At 30.6.2024
<b>Berjaya Burger Sdn Bhd</b>				
Dato' Sydney Lawrance Quays	780,000	-	-	780,000

### Notes:

- (a) Indirect interests pursuant to Section 59(11)(c) of the Companies Act 2016.
- \* Share dividend distribution by BFood on the basis of one (1) BFood treasury share for every one hundred (100) existing BFood ordinary shares held on 29 December 2023.
- # Share dividend distribution by BCorp on the basis of six (6) BCorp treasury shares for every one hundred (100) existing BCorp ordinary shares held on 26 January 2024.
- <sup>^</sup> Share dividend distribution by SPToto on the basis of one (1) SPToto treasury share for every fifty (50) existing SPToto ordinary shares held on 19 January 2024.
- & Berjaya Paris Baguette Philippines Inc. became a subsidiary of BFood Group on 11 September 2023.
- @ Berjaya Nordic (Denmark) ApS became a subsidiary of BFood Group on 4 March 2024.

### SHARE CAPITAL AND TREASURY SHARES

The number and carrying amount of treasury shares as at 30 June 2024 were as follows:

	Average price per share RM	Number of shares '000	Amount RM'000
Balance as at 30 June 2023	0.44	193,364	85,328
Distributed as share dividend	0.44	(17,543)	(7,741)
Total treasury shares as at 30 June 2024	0.44	175,821	77,587

As at 30 June 2024, the issued ordinary share capital of the Company with voting rights was 1,771,811,124 (2023: 1,754,268,535) ordinary shares.



## Directors' Report

### OTHER STATUTORY INFORMATION

- (a) Before the statements of financial position and statements of profit or loss and other comprehensive income 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 allowance for doubtful debts and satisfied themselves that there were no known bad debts and that no allowance 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 allowance for doubtful debts in respect of the financial statements of the Group and of 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.
- (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.

## Directors' Report

### **SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR**

Significant events during the financial year are disclosed in Note 40 to the financial statements.

### **SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR**

Significant event subsequent to the financial year is disclosed in Note 41 to the financial statements.

### **AUDITORS**

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

The remuneration of the auditors of the Group is disclosed in Note 26 to the financial statements.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young PLT during the financial year and since the end of the financial year.

Signed on behalf of the Board in accordance with a resolution of the directors dated 16 October 2024

Dato' Sydney Lawrance Quays

Tan Thiam Chai

# Statement by Directors

(Pursuant to Section 251(2) of the Companies Act 2016)

We, Dato' Sydney Lawrance Quays 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 128 to 185 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024 and of the results and the cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors 16 October 2024

Dato' Sydney Lawrance Quays

Tan Thiam Chai

# Statutory Declaration

(Pursuant to Section 251(1)(b) of the Companies Act 2016)

I, Chin Wan Ching, the officer primarily responsible for the financial management of BERJAYA FOOD BERHAD, do solemnly and sincerely declare that the accompanying financial statements set out on pages 128 to 185 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  
Chin Wan Ching at Kuala Lumpur in the Federal Territory)  
on 16 October 2024

) Chin Wan Ching  
MIA No: 16228

Before me:

Y.M TENGKU NUR ATHIYA TENGKU FARIDDUDIN (W881)  
Commissioner for Oaths

Kuala Lumpur

# Statements of Financial Position

As At 30 June 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Non-current assets					
Property, plant and equipment	5	316,851	332,121	8	-
Right-of-use assets	6	396,487	425,077	-	-
Subsidiary companies	7	-	-	377,849	415,080
Joint venture	8	8,483	4,650	10,000	5,000
Other investment	9	23,384	23,621	-	-
Intangible assets	10	458,320	467,293	-	-
Deposits	12	10,777	16,719	-	-
Deferred tax assets	19	9,850	8,040	-	-
		1,224,152	1,277,521	387,857	420,080
Current assets					
Inventories	11	71,903	59,258	-	-
Trade and other receivables	12	39,537	32,044	35,306	56,940
Tax recoverable		53,838	25,071	-	-
Short term investment	13	-	2,173	-	-
Deposits with financial institutions	14	268	9,595	-	9,133
Cash and bank balances		25,657	40,481	6,039	950
		191,203	168,622	41,345	67,023
TOTAL ASSETS		1,415,355	1,446,143	429,202	487,103
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	15	257,920	257,920	257,920	257,920
Reserves	16	213,581	320,537	157,113	228,902
		471,501	578,457	415,033	486,822
Treasury shares	17	(77,587)	(85,328)	(77,587)	(85,328)
		393,914	493,129	337,446	401,494
Non-controlling interests		(1,457)	(5,460)	-	-
Total equity		392,457	487,669	337,446	401,494
Non-current liabilities					
Long term borrowings	18	5,666	54,963	-	51,905
Lease liabilities	6	371,499	384,336	-	-
Deferred tax liabilities	19	-	-	-	-
Provision	20	16,263	15,004	-	-
		393,428	454,303	-	51,905
Current liabilities					
Trade and other payables	21	180,603	150,782	14,616	18,530
Provision	20	3,865	5,660	-	-
Short term borrowings	22	299,296	185,842	76,995	14,979
Lease liabilities	6	65,868	70,947	-	-
Taxation		145	630	145	195
Contract liabilities	23	79,693	90,310	-	-
		629,470	504,171	91,756	33,704
Total liabilities		1,022,898	958,474	91,756	85,609
TOTAL EQUITY AND LIABILITIES		1,415,355	1,446,143	429,202	487,103

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



# Statements of Profit or Loss and Other Comprehensive Income

For The Year Ended 30 June 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	24	750,702	1,115,966	13,110	112,470
Cost of sales		(467,328)	(606,329)	-	-
<b>Gross profit</b>		<b>283,374</b>	<b>509,637</b>	<b>13,110</b>	<b>112,470</b>
Other income		13,943	17,763	2,674	1,573
Administrative expenses		(274,461)	(316,548)	(3,137)	(2,818)
Selling and distribution expenses		(25,347)	(26,483)	-	-
Other expenses		(48,976)	(6,456)	(62,231)	(23,469)
		(51,467)	177,913	(49,584)	87,756
Finance costs	25	(36,428)	(28,829)	(5,222)	(4,946)
Share of results of joint venture		(1,167)	(350)	-	-
<b>(Loss)/Profit before tax</b>	26	<b>(89,062)</b>	<b>148,734</b>	<b>(54,806)</b>	<b>82,810</b>
Taxation	28	1,625	(47,632)	(471)	(372)
<b>(Loss)/Profit for the year</b>		<b>(87,437)</b>	<b>101,102</b>	<b>(55,277)</b>	<b>82,438</b>
Other comprehensive income:					
<u>Items that may be reclassified</u>					
<u>subsequent to profit or loss</u>					
- Foreign currency translation		(152)	(132)	-	-
- Foreign currency reserve transferred to profit or loss due to disposal of a subsidiary company		796	-	-	-
<u>Item that will not be reclassified</u>					
<u>subsequently to profit or loss:</u>					
- Net changes in fair value of investments at fair value through other comprehensive income ("FVTOCI")		(237)	1,626	-	-
<b>Total comprehensive income for the year</b>		<b>(87,030)</b>	<b>102,596</b>	<b>(55,277)</b>	<b>82,438</b>
<b>(Loss)/Profit attributable to:</b>					
- Owners of the parent		(90,922)	103,404	(55,277)	82,438
- Non-controlling interests		3,485	(2,302)	-	-
		<b>(87,437)</b>	<b>101,102</b>	<b>(55,277)</b>	<b>82,438</b>
<b>Total comprehensive income attributable to:</b>					
- Owners of the parent		(90,444)	105,088	(55,277)	82,438
- Non-controlling interests		3,414	(2,492)	-	-
		<b>(87,030)</b>	<b>102,596</b>	<b>(55,277)</b>	<b>82,438</b>
<b>(Loss)/Earnings per share (sen) - Basic</b>	29	<b>(5.15)</b>	<b>5.88</b>		

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

# Consolidated Statement of Changes in Equity

For The Year Ended 30 June 2024

GROUP	Attributable to the equity holders of the Company								Non-controlling interests	Total equity
	Non-distributable					Distributable				
	Share capital	FVTOCI reserve	Conso-	Exchange reserve	Merger deficit	Retained earnings	Treasury shares	Total		
			lidation reserve							
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2022	257,920	-	729	903	(55,087)	328,612	(45,437)	487,640	(2,968)	484,672
Profit for the year	-	-	-	-	-	103,404	-	103,404	(2,302)	101,102
Other comprehensive income	-	1,626	-	58	-	-	-	1,684	(190)	1,494
Total comprehensive income for the year	-	1,626	-	58	-	103,404	-	105,088	(2,492)	102,596
Transactions with owners										
Treasury shares acquired	-	-	-	-	-	-	(39,891)	(39,891)	-	(39,891)
Dividends (Note 30)	-	-	-	-	-	(59,708)	-	(59,708)	-	(59,708)
	-	-	-	-	-	(59,708)	(39,891)	(99,599)	-	(99,599)
At 30 June 2023/1 July 2023	257,920	1,626	729	961	(55,087)	372,308	(85,328)	493,129	(5,460)	487,669
Loss for the year	-	-	-	-	-	(90,922)	-	(90,922)	3,485	(87,437)
Other comprehensive income	-	(237)	-	715	-	-	-	478	(71)	407
Total comprehensive income for the year	-	(237)	-	715	-	(90,922)	-	(90,444)	3,414	(87,030)
Transactions with owners										
Arising from disposal of a subsidiary company	-	-	-	-	-	-	-	-	(396)	(396)
Arising from acquisition of a subsidiary company	-	-	-	-	-	-	-	-	1,338	1,338
Transfer between reserves	-	-	(729)	-	-	729	-	-	-	-
Dividends (Note 30)	-	-	-	-	-	(8,771)	-	(8,771)	-	(8,771)
Distribution of share dividend (Note 30)	-	-	-	-	-	(7,741)	7,741	-	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(353)	(353)
	-	-	(729)	-	-	(15,783)	7,741	(8,771)	589	(8,182)
At 30 June 2024	257,920	1,389	-	1,676	(55,087)	265,603	(77,587)	393,914	(1,457)	392,457

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

# Statement of Changes in Equity

For The Year Ended 30 June 2024

COMPANY	<u>Distributable</u>			Total equity
	Share capital	Retained earnings	Treasury shares	
	RM'000	RM'000	RM'000	RM'000
At 1 July 2022	257,920	206,172	(45,437)	418,655
Total comprehensive income for the year	-	82,438	-	82,438
<b>Transactions with owners</b>				
Treasury shares acquired	-	-	(39,891)	(39,891)
Dividends (Note 30)	-	(59,708)	-	(59,708)
	-	(59,708)	(39,891)	(99,599)
At 30 June 2023/1 July 2023	257,920	228,902	(85,328)	401,494
Total comprehensive income for the year	-	(55,277)	-	(55,277)
<b>Transactions with owners</b>				
Dividends (Note 30)	-	(8,771)	-	(8,771)
Distribution of share dividend (Note 30)	-	(7,741)	7,741	-
	-	(16,512)	7,741	(8,771)
At 30 June 2024	257,920	157,113	(77,587)	337,446

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

# Statements of Cash Flows

For The Year Ended 30 June 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	724,022	1,115,769	-	-
Payment to suppliers and operating expenses	(613,474)	(780,285)	(2,818)	(3,772)
Payment of taxes	(29,516)	(86,629)	(521)	(191)
Other receipts	144	632	-	-
Net cash flow generated from/(used in) operating activities	81,176	249,487	(3,339)	(3,963)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Sales of property, plant and equipment	280	142	-	-
Disposal of investment in a subsidiary company (Note a)	1,915	-	-	-
Disposal of short term investments	2,664	35,486	-	-
Acquisition of property, plant and equipment (Note b)	(47,570)	(85,497)	(11)	-
Acquisition of intangible assets	(5,770)	(11,223)	-	-
Acquisition of other investment	-	(31,970)	-	-
Acquisition of investment in subsidiary companies (Note c)	(630)	-	-	-
Acquisition of investment in joint venture	(5,000)	(5,000)	(5,000)	(5,000)
Interest received	291	565	144	200
Dividend received	320	641	13,308	134,352
Net (advance to )/repayment from subsidiary company	-	-	(1,238)	9,184
Withdrawn of un-invested fund owing from a related company	-	22,467	-	-
Other receipts arising from investments	1,929	-	-	-
Net cash flow (used in)/generated from investing activities	(51,571)	(74,389)	7,203	138,736
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Treasury shares acquired	-	(39,891)	-	(39,891)
Drawdown of bank and other borrowings	168,208	159,648	25,000	-
Repayment of bank borrowings	(108,621)	(124,500)	(15,000)	(25,000)
Payment of hire purchase	(1,909)	(1,505)	-	-
Payment of principal portion of lease liabilities	(74,793)	(74,132)	-	-
Interest paid	(36,084)	(28,560)	(3,746)	(3,696)
Dividends paid	(8,771)	(59,708)	(8,771)	(59,708)
Dividend paid to non-controlling interests of subsidiary company	(363)	-	-	-
Net advance from/(repayment to) subsidiary companies	-	-	(5,391)	(6,013)
Net advance from/(repayment to) related company	7,829	(348)	-	-
Net cash flow used in financing activities	(54,504)	(168,996)	(7,908)	(134,308)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(24,899)	6,102	(4,044)	465
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	(92)	1,030	-	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	50,076	42,944	10,083	9,618
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	25,085	50,076	6,039	10,083



# Statements of Cash Flows

For The Year Ended 30 June 2024

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>CASH AND CASH EQUIVALENTS</b>				
The closing cash and cash equivalents comprise of the following:				
Cash and bank balances	25,657	40,481	6,039	950
Deposits with financial institutions	268	9,595	-	9,133
Bank overdrafts (Note 22)	(840)	-	-	-
	<u>25,085</u>	<u>50,076</u>	<u>6,039</u>	<u>10,083</u>

Notes:

a) Analysis of the effects of subsidiary company disposed:

	Group	
	2024 RM'000	2023 RM'000
Property, plant and equipment (Note 5)	780	-
Right-of-use assets (Note 6)	8,769	-
Trademark (Note 10)	7,646	-
Lease liabilities (Note 6)	(9,525)	-
Net other assets disposed	1,793	-
Non-controlling interests	(396)	-
Goodwill (Note 10)	3,642	-
Net liabilities disposed	12,709	-
Excluding: Cash and cash equivalents of subsidiary company disposed	(295)	-
Net loss arising from disposal	(10,499)	-
Cash flow on disposal (net of cash in subsidiary company disposed)	<u>1,915</u>	<u>-</u>

b) Analysis of the payment for acquisition of property, plant and equipment:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Payment for current year acquisition (Note 5)	38,645	75,204	11	-
Payment for previous year acquisition	8,925	10,293	-	-
	<u>47,570</u>	<u>85,497</u>	<u>11</u>	<u>-</u>

## Statements of Cash Flows

For The Year Ended 30 June 2024

c) Analysis of the effects of subsidiary company acquired:

	Group	
	2024	2023
	RM'000	RM'000
Net assets acquired	1,968	-
Non-controlling interests	(1,338)	-
Cash flow on acquisition	630	-

d) Changes in liabilities arising from financing activities:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Total borrowings (exclude bank overdrafts)</u>				
At beginning of the year	240,805	205,488	66,884	91,710
Drawdown of bank borrowings	168,208	159,648	25,000	-
Additional hire purchase	5,760	1,469	-	-
Repayment of bank borrowings and hire purchase	(110,530)	(126,005)	(15,000)	(25,000)
Charge out of deferred transaction costs (Note 25)	111	174	111	174
Disposal of subsidiary company	(262)	-	-	-
Exchange differences	30	31	-	-
At end of the year	304,122	240,805	76,995	66,884

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Due to related/subsidiary companies</u>				
At beginning of the year	65	413	17,389	22,359
Net advance from/(repayment to) related/subsidiary companies	7,829	(348)	(5,391)	(6,013)
Interest charged by subsidiary company	-	-	1,133	1,043
At end of the year	7,894	65	13,131	17,389

e) The total cash outflows for leases were as follows:

	Group	
	2024	2023
	RM'000	RM'000
Total cash outflow for leases:		
- payment for principal portion of lease liabilities	74,793	74,132
- interest paid on lease liabilities	21,894	19,093
- payment of expenses relating to short term leases	5,672	3,589
- payment of expenses relating to leases of low-value assets	26	98
- variable payments for leases	27,196	44,348
	129,581	141,260

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

# Notes to the Financial Statements

30 June 2024

## 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 restaurant and café chains and retail outlets, in Malaysia and other South-East Asian countries, and investment holding.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 16 October 2024.

## 2. 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 in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

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

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

### 3.1 Subsidiaries and basis of consolidation

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

Subsidiary companies are consolidated using the acquisition method of accounting except for the business combination with 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 merger deficit as the case may be.

Under the acquisition method of accounting, subsidiary companies are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until that date such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

## Notes to the Financial Statements

30 June 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.1 Subsidiaries and basis of consolidation (continued)

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.

When there is share buyback by a subsidiary company, the accretion of the Group's interest is recognised as a deemed acquisition of additional equity interest in the subsidiary company. When there is resale and reissuance of treasury shares by a subsidiary company, the dilution of the Group's interest is recognised as a deemed reduction of equity interest in the subsidiary company. The Group's equity remains unchanged on the cancellation and distribution of treasury shares as share dividend by a subsidiary company.

Changes in the Group's ownership interest in a subsidiary company that do not result in the Group losing control over the subsidiary company are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary companies. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of consideration paid or received is recognised directly in equity as effect arising from changes in equity interest attributed to the owners of the parent.

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

#### 3.2 Joint venture

Investments in joint venture is accounted for in the consolidated financial statements using the equity method of accounting based on the latest audited financial statements and supplemented by management financial statements of the joint venture made up to the Group's financial year end.

Investment in unquoted joint venture which has different reporting date from the Group is accounted for in the consolidated financial statements using the equity method of accounting based on the latest audited financial statements and supplemented by management financial statements of the joint venture made up to the Group's financial year end.

In the Company's separate financial statements, investments in joint venture is stated at cost less impairment losses.

#### 3.3 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

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:

Buildings	2%
Office equipment, smallwares and motor vehicles	20% - 33%
Computers	20% - 40%
Plant, machinery, kitchen equipment, furniture and fittings	10% - 33%
Renovation and restoration	Based on lease term



## Notes to the Financial Statements

30 June 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.4 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis. Cost represents cost of food, beverages and materials purchased plus incidental expenses. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs to completion and the estimated costs necessary to make the sale.

Goods on consignment are included in inventories when substantially all of the principal benefits and inherent risks rest with the Group.

#### 3.5 Intangible assets

##### (i) 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.

##### (ii) Trademarks

The cost of trademarks acquired represents its fair value as at the date of acquisition. Following initial recognition, trademarks are carried at cost less any accumulated impairment losses. Trademarks, which are considered to have indefinite useful lives, are not amortised but tested for impairment, annually or more frequently when indicators of impairment are identified. The useful lives of trademarks are reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

##### (iii) Development right fees and licence fees

Development right fees are required to be paid for the rights to develop the franchise business in the respective countries. The development right fees are capitalised and amortised over the year of the development agreement from the date the operation commences.

Licences fees are required to be paid in respect of the opening of new outlets in the respective countries. The licence fees paid are capitalised and amortised over the remaining year of the development agreement. The licence fees are amortised from the date when the respective outlet commences operations.

##### (iv) Computer software

Computer software acquired separately are measured on initial recognition at cost.

Following initial recognition, computer software are carried at cost less any accumulated amortisation and any accumulated impairment losses. Computer software are amortised on a straight-line basis over its estimated economic useful lives of 4 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for a computer software are reviewed at each reporting date.

##### (v) Computer software development cost

Computer software development cost included in intangible asset are not amortised as these assets are not yet available for use.

## Notes to the Financial Statements

30 June 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.6 Financial instruments

##### (1) Financial assets

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

Subsequent measurement of a financial asset depends on its classification, as described below:

##### (a) Amortised cost

Subsequent to initial recognition, the amortised cost of a financial asset is the amount at initial recognition minus principal repayments plus cumulative amortisation using the effective interest method and reduced by any impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Gain or loss is recognised in profit or loss when the asset is derecognised, modified or impaired.

##### (b) Fair value through other comprehensive income ("FVTOCI")

###### Debt instrument

Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment loss or reversal are recognised in profit or loss. Fair value change is recognised in other comprehensive income.

On derecognition of a financial asset, the fair value changes accumulated in other comprehensive income are recycled to profit or loss.

###### Equity instrument

Dividend is recognised as income in profit or loss unless the dividend clearly represents part recovery of the cost of investment. Other net gains and losses are recognised in other comprehensive income.

On derecognition of a financial asset, fair value changes and other net gains and losses accumulated in other comprehensive income are not recycled to profit or loss.

##### (c) Fair value through profit or loss ("FVTPL")

All financial assets not classified as amortised cost or FVTOCI as described above are classified as FVTPL. This includes derivative financial assets (except for derivatives that are designated as effective hedging instruments).

Financial assets at FVTPL are carried in the statements of financial position at fair value with net changes in fair value recognised in profit or loss. Other net gains or losses, including any interest or dividend income, are also recognised in profit or loss.

All financial assets, except for those measured at FVTPL and equity investments measured at FVTOCI, are subject to impairment assessment.

## Notes to the Financial Statements

30 June 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.6 Financial instruments (continued)

##### (2) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost or financial liabilities at FVTPL.

The Group initially measures a financial liability at its fair value minus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue of the financial liability.

Subsequent measurement of a financial liability measured at amortised cost using the effective interest method, which allocates interest expenses at a constant rate over the term of the financial liability.

Subsequent to initial recognition, the amortised cost of a financial liability is the amount at initial recognition minus repayments, plus the cumulative amortisation using the effective interest method. Gain or loss is recognised in profit or loss when the liability is derecognised as well as through the effective interest rate amortisation process.

#### 3.7 Impairment of financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost, debt instruments measured at FVTOCI, contract assets and lease receivables.

For trade receivables and contract assets, the Group applies the simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group recognises impairment loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

In certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### 3.8 Cash and cash equivalents

Cash comprises cash in hand, at bank and short term deposits with a maturity of three months or less. Cash equivalents, which are short term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value, against which the bank overdrafts, if any, are deducted.

## Notes to the Financial Statements

30 June 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.9 Impairment of non-financial assets

The carrying amounts of the Group's non-financial 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, intangible assets that have indefinite useful lives and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date or more frequently when there is any indication of impairment.

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 VIU, the estimated future cash flows are discounted to their present value using a pre-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 period 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, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.



# Notes to the Financial Statements

30 June 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.10 Leases

#### (1) Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use ("ROU") assets representing the right to use the underlying assets.

##### (a) ROU assets

The Group recognises ROU assets at the commencement date of the lease i.e. the date the underlying asset is available for use. ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

ROU assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The depreciation periods are as follows:

Properties	1 to 26 years
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##### (b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

##### (c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of asset (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low-value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### (2) Group as a lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee.

##### Operating lease

Leases in which the Group retains substantially all the risks and rewards incidental to ownership of the underlying asset are classified as operating leases. Lease income from operating lease is accounted for on a straight-line basis or another systematic basis if another systematic basis is more representative of the pattern of benefit received.

Contingent rents are recognised in profit or loss in the period in which they are earned.

# Notes to the Financial Statements

30 June 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.11 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.

The consideration paid, including attributable transaction costs on repurchased ordinary shares of the Company that have not been cancelled, are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in profit or loss on the sale, reissuance or cancellation of treasury shares. Consideration paid or received is recognised directly in equity.

### 3.12 Revenue recognition

#### (1) Revenue from contracts with customers

##### (a) Sales of food and beverages and others

Revenue is recognised at a point in time upon delivery of products or performance of services, and customer acceptance, if any.

The revenue is net of discount and/or any portion that are allocated to the free food, beverage or merchandise to be rewarded under the customer loyalty programmes.

##### (b) Customer loyalty programme

Certain subsidiary companies of the Group operate customer loyalty programmes which allow customers to redeem free food, beverage or merchandise after a specific number of purchases using the stored value cards. This gives rise to a separate performance obligation as it provides a right of redemption to the customer.

A portion of the transaction price is allocated to the purchases by customers based on relative stand-alone selling price of the free food, beverage or merchandise to be rewarded, and recognised as a contract liability. Revenue is recognised upon redemption by customers.

#### (2) Revenue from other sources

##### (a) Dividend income

Dividend income is recognised when the shareholders' rights to receive the dividend payment are established.

##### (b) Interest income

Interest income is recognised on an accrual basis using the effective interest method unless recoverability is in doubt, or where a loan is considered to be non-performing in which case the recognition of interest is suspended. Subsequent to suspension, interest is recognised on receipt basis until all arrears have been paid except for margin accounts where interest is suspended until the account is reclassified as performing.

Interest income from investments in bonds, government securities and loan stocks are recognised on a time proportion basis that takes into account the effective yield of the asset.

##### (c) Other income

All other income is recognised on accrual basis.

# Notes to the Financial Statements

30 June 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.13 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 (i.e. functional currency). The financial statements are presented in RM, which is also the Company's functional currency.

### 3.14 Taxes

#### Indirect taxes

Indirect taxes include Sales Tax, Service Tax, and Goods and Services Tax (also known as Value Added Tax).

The amount of indirect taxes payable to taxation authority is included as part of payables in the statements of financial position.

Indirect taxes incurred on the purchase of assets or services which cannot be recovered from the respective tax authorities are recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The difference between output and input Goods and Services tax, being the amount payable to or receivable from the respective taxation authorities at the reporting date, is included in other payables or other receivables respectively in the statements of financial position.

### 3.15 Segmental information

For management purposes, the Group is organised into operating segments based on the geographical locations which are 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.

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Revenue and expenses do not include items arising on investing or financing activities. Revenue is attributed to geographical segments based on location where the sales are transacted. Segment assets include all operating assets used by a segment and do not include items arising on investing or financing activities. Assets are allocated to a geographical segment based on location of assets. Segment liabilities comprise operating liabilities and do not include liabilities arising on investing or financing activities such as bank borrowings.

## Notes to the Financial Statements

30 June 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.16 Changes in accounting policies

During the financial year, the Group and the Company adopted the following pronouncements that have been issued by the Malaysian Accounting Standards Board ("MASB"), which are effective for financial periods beginning on or after 1 January 2023:

- MFRS 17: Insurance Contracts
- Amendments to MFRS 17: Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information
- Amendments to MFRS 101: Presentation of Financial Statements and MFRS Practice Statement 2: Making Materiality Judgements – Disclosure of Accounting Policies
- Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 112: Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 112: Income Taxes: International Tax Reform – Pillar Two Model Rules

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group and of the Company, except as described below.

#### Amendments to MFRS 101: Presentation of Financial Statements and MFRS Practice Statement 2: Making Materiality Judgements – Disclosure of Accounting Policies

The Amendments to MFRS 101 and MFRS Practice Statement 2 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The Amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The Amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's and the Company's financial statements.

#### Amendments to MFRS 112: Income Taxes: International Tax Reform – Pillar Two Model Rules

On 2 June 2023, the MASB has also issued the Amendments to MFRS 112 Income Taxes International Tax Reform - Pillar Two Model Rules. This pronouncement is effective from annual period beginning on or after 1 January 2023. On 29 December 2023, Pillar Two legislation has been enacted in Malaysia, which will come into effect on 1 January 2025.

The Amendments to MFRS 112 introduce a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two Model Rules as well as disclosure requirements on the exposure to Pillar Two income taxes upon adoption.

The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements available for the constituent entities in the Group. Based on the initial assessment carried out as at 30 June 2024, the Pillar Two effective tax rate in all jurisdiction in which the Group operates is above 15%. Therefore, the Group does not expect a significant potential exposure to Pillar Two top-up taxes.

## Notes to the Financial Statements

30 June 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 3.17 Standards issued but not yet effective

At the date of authorisation of these financial statements, the following pronouncements have been issued by the MASB, will become effective in future financial periods and have not been adopted by the Group and the Company:

##### **Effective for financial periods beginning on or after 1 January 2024:**

- Amendments to MFRS 101: Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101: Presentation of Financial Statements – Non-current Liabilities with Covenants
- Amendments to MFRS 16: Leases – Lease Liability in a Sale and Leaseback
- Amendments to MFRS 107: Statement of Cash Flows and MFRS 7: Disclosure of Financial Instruments – Supplier Finance Arrangements

##### **Effective for financial periods beginning on or after 1 January 2025:**

- Amendments to MFRS 121: The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

##### **Effective for financial periods beginning on or after 1 January 2026:**

- Amendments to MFRS 9: Financial Instruments and MFRS 7: Disclosure of Financial Instruments – Classification and Measurement of Financial Instruments

##### **Effective for financial periods beginning on or after 1 January 2027:**

- MFRS 18: Presentation and Disclosure in Financial Statements
- MFRS 19: Subsidiaries without Public Accountability: Disclosures

##### **Effective date yet to be determined:**

- Amendments to MFRS 10: Consolidated Financial Statements and MFRS 128: Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Deferred)

The Group and the Company are expected to apply the abovementioned pronouncements beginning from the respective dates the pronouncements become effective. The initial application of the abovementioned pronouncements is not expected to have any material impact on the financial statements of the Group and of the Company.



## Notes to the Financial Statements

30 June 2024

### 4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's and of the Company'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 judgement made in applying accounting policies

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

##### (i) Determining the lease term of contracts with renewal and termination options as lessee.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably not to be exercised.

The Group assesses, by applying judgement at lease commencement date, whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate it (e.g., construction of significant leasehold improvements).

#### (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) Impairment assessment of goodwill

The Group performs an impairment test on its goodwill at least annually or when there is indication of impairment. This requires an estimation of the VIU of the CGU to which goodwill is allocated. Estimating a VIU 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 assumptions used for VIU computation are disclosed in Note 10.1.

##### (ii) Contract liabilities

Contract liabilities represent the cash balances in the stored value cards and the deferral in the recognition of revenue relating to the customer loyalty programmes based on the estimated fair value of the free food, beverage or merchandise that is expected to be redeemed. It also represents the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period. The amount of sale proceeds apportioned to contract liabilities is measured at the fair value of food and beverage to be rewarded, which is estimated based on the historical redemption pattern. Details of contract liabilities are disclosed in Note 23.

## Notes to the Financial Statements

30 June 2024

### 4. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

#### (b) Key sources of estimation uncertainty (continued)

##### (iii) Impairment of investment in subsidiaries

The Company carried out the impairment test based on estimation of the VIU of the CGU of the subsidiary. Estimating the VIU requires the Company 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. Further details are disclosed in Note 7.

##### (iv) Impairment of non-financial assets

The Group carried out the impairment test based on the variety of estimation including the VIU of the CGU to which the property, plant and equipment and right-of-use assets are allocated. Estimating the VIU requires the Group 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. Further details of the impairment losses recognised are disclosed in Note 5 and Note 6(a).

##### (v) Provision for restoration costs

The Group leases stores under operating leases. The Group provides for an estimate of restoration costs expense 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. Further details are disclosed in Note 20.

# Notes to the Financial Statements

30 June 2024

## 5. PROPERTY, PLANT AND EQUIPMENT

### GROUP

	Buildings	Office equipment, furniture and fittings and motor vehicles	Computer	Plant, machinery, kitchen equipment and smallwares	Renovations and restoration	Capital work-in- progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2024</b>							
<u>Net carrying amount</u>							
At beginning of year	43,344	25,188	8,137	75,598	167,052	12,802	332,121
Additions	-	4,593	2,626	19,559	24,425	13,202	64,405
Disposals	-	(63)	(8)	(275)	(235)	-	(581)
Depreciation charge	(948)	(6,168)	(2,949)	(12,368)	(29,187)	-	(51,620)
Write off	-	(1,007)	(121)	(3,303)	(11,041)	-	(15,472)
Impairment	-	-	-	-	(11,255)	-	(11,255)
Impairment reversal	-	1	-	5	-	-	6
Disposal of subsidiary	-	(474)	-	(87)	(219)	-	(780)
Exchange differences	-	6	-	1	20	-	27
Reclassification	-	2,763	1,153	(2,690)	17,732	(18,958)	-
At end of year	<u>42,396</u>	<u>24,839</u>	<u>8,838</u>	<u>76,440</u>	<u>157,292</u>	<u>7,046</u>	<u>316,851</u>

### As at 30 June 2024

Cost	47,382	78,843	25,880	154,102	372,340	7,046	685,593
Accumulated depreciation	(4,986)	(53,759)	(17,037)	(77,146)	(200,814)	-	(353,742)
Accumulated impairment	-	(245)	(5)	(516)	(14,234)	-	(15,000)
Net carrying amount	<u>42,396</u>	<u>24,839</u>	<u>8,838</u>	<u>76,440</u>	<u>157,292</u>	<u>7,046</u>	<u>316,851</u>

### 2023

<u>Net carrying amount</u>							
At beginning of year	44,292	24,321	6,252	61,670	142,741	14,157	293,433
Additions	-	4,910	2,944	24,978	30,436	24,404	87,672
Disposals	-	(13)	-	-	(3)	-	(16)
Depreciation charge	(948)	(6,230)	(2,296)	(10,771)	(26,529)	-	(46,774)
Write off	-	(190)	(20)	(360)	(732)	-	(1,302)
Impairment	-	-	-	(3)	(1,614)	-	(1,617)
Impairment reversal	-	-	-	-	406	-	406
Exchange differences	-	47	(3)	15	260	-	319
Reclassification	-	2,343	1,260	69	22,087	(25,759)	-
At end of year	<u>43,344</u>	<u>25,188</u>	<u>8,137</u>	<u>75,598</u>	<u>167,052</u>	<u>12,802</u>	<u>332,121</u>

### As at 30 June 2023

Cost	47,382	79,601	22,838	152,807	361,654	12,802	677,084
Accumulated depreciation	(4,038)	(54,154)	(14,689)	(76,601)	(189,437)	-	(338,919)
Accumulated impairment	-	(259)	(12)	(608)	(5,165)	-	(6,044)
Net carrying amount	<u>43,344</u>	<u>25,188</u>	<u>8,137</u>	<u>75,598</u>	<u>167,052</u>	<u>12,802</u>	<u>332,121</u>

Included in property, plant and equipment of the Group are fully depreciated assets which are still in use costing about RM137,745,000 (2023: RM106,069,000).

# Notes to the Financial Statements

30 June 2024

## 5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### COMPANY

	Furniture and fittings	Computer	Total
	RM'000	RM'000	RM'000
<b>2024</b>			
<u>Net carrying amount</u>			
At beginning of year	-	-	-
Additions	-	11	11
Depreciation charge	-	(3)	(3)
At end of year	-	8	8

### As at 30 June 2024

Cost	1	26	27
Accumulated depreciation	(1)	(18)	(19)
Net carrying amount	-	8	8

### 2023

<u>Net carrying amount</u>			
At beginning of year	-	1	1
Depreciation charge	-	(1)	(1)
At end of year	-	-	-

### As at 30 June 2023

Cost	1	18	19
Accumulated depreciation	(1)	(18)	(19)
Net carrying amount	-	-	-

The additions in property, plant and equipment are analysed as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Hire purchase	5,760	1,469	-	-
Cash	38,645	75,204	11	-
Amounts due to suppliers	18,974	8,925	-	-
Provision for restoration cost	1,026	2,074	-	-
	64,405	87,672	11	-

Certain furniture and fittings, office equipment, motor vehicles and renovation with carrying amounts of RM5,551,000 (2023: RM5,933,000) are under hire purchase arrangements.

During the financial year, the Group conducted a review of the recoverable amount of certain property, plant and equipment and recognised an impairment loss of RM11,255,000 (2023: RM1,617,000) as the recoverable amount was lower than the carrying amount. The recoverable amount was determined based on projected cash flows that are discounted using rate at 12.50% (2023: 11.00% to 12.50%).

## Notes to the Financial Statements

30 June 2024

### 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

#### (a) Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the financial year.

GROUP	PROPERTIES	
	2024 RM'000	2023 RM'000
<u>Net carrying amount</u>		
At beginning of year	425,077	381,093
Additions	98,024	114,037
Depreciation charge	(80,004)	(80,694)
Reassessment	4,609	3,193
Modification	(31,989)	7,844
Impairment reversal	-	533
Impairment	(10,601)	(2,261)
Disposal of subsidiary company	(8,769)	-
Exchange differences	140	1,332
At end of year	<u>396,487</u>	<u>425,077</u>
Cost	742,860	703,766
Accumulated depreciation	(333,659)	(275,416)
Accumulated impairment	(12,714)	(3,273)
Net carrying amount	<u>396,487</u>	<u>425,077</u>

The right-of-use assets are in respect of lease contracts for the cafes, restaurants, warehouse and offices.

During the financial year, the Group conducted a review of the recoverable amounts of certain right-of-use assets which was determined based on projected cash flows that is discounted at a rate of 12.50% (2023: 12.50%) and the review has led to the following recognitions:

- (1) An impairment loss of RM10,601,000 (2023: RM2,261,000), included in other expenses as disclosed in Note 26(b). The impairment loss was due to a decline in the recoverable amount of certain right-of-use assets for which the VIU was less than the carrying value.
- (2) A reversal of impairment loss of RM Nil (2023: RM533,000), included in other income as disclosed in Note 26(c).



# Notes to the Financial Statements

30 June 2024

## 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

### (b) Lease liabilities

Set out below are the carrying amounts of lease liabilities recognised and the movements during the financial year:

	Group	
	2024	2023
	RM'000	RM'000
At beginning of year	455,283	403,672
Additions	98,024	114,037
Accretion of interest (Note 25)	21,894	19,093
Lease payments	(96,687)	(93,225)
Reassessment	4,609	3,193
Modification	(36,409)	6,784
Disposal of subsidiary company	(9,525)	-
Exchange difference	178	1,729
At end of financial year	437,367	455,283
Disclosed as:		
- Current	65,868	70,947
- Non-current	371,499	384,336
	437,367	455,283

## 7. SUBSIDIARY COMPANIES

	Company	
	2024	2023
	RM'000	RM'000
Unquoted shares in Malaysia, at cost	475,927	450,927
ESS granted to employees of subsidiary companies	7,630	7,630
	483,557	458,557
Less: Accumulated impairment	(105,708)	(43,477)
	377,849	415,080

During the current financial year, the Company conducted a review of recoverable amounts of investment in subsidiary companies and the review has led to an impairment amounting to RM62,231,000 (2023: RM23,469,000). The recoverable amounts are determined based on VIU calculation. The discount rate used in the VIU calculation is 12.50% (2023: 12.50%).

During the current financial year, the Company increased its capital contribution in a subsidiary company by RM25,000,000 via capitalisation of its amount owing by the subsidiary company.

Unquoted shares costing RM359,615,000 (2023: RM359,615,000) have been pledged to a financial institution for credit facility granted to the Company.

# Notes to the Financial Statements

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## 7. SUBSIDIARY COMPANIES (CONTINUED)

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

Name	Country of incorporation	Principal activities	% of ownership interest held by the Group	
			2024	2023
Held by the Company:				
Berjaya Starbucks Coffee Company Sdn Bhd (“BStarbucks”)	Malaysia	Development and operation of the "Starbucks Coffee" chain of cafes and retail outlets in Malaysia.	100	100
Berjaya Roasters (M) Sdn Bhd (“BRoasters”)	Malaysia	Development and operation of the "Kenny Rogers Roasters" chain of restaurants in Malaysia.	100	100
Berjaya Food (International) Sdn Bhd (“BFI”)	Malaysia	Investment holding, consultancy services for food audit and certification; and training services for food handler.	100	100
Bestari Food Trading Sdn Bhd (Formerly known as Berjaya Food Trading Sdn Bhd) (“BFT”)	Malaysia	Sale and distribution of food and beverage in Malaysia.	100	100
Subsidiaries of BFI				
Jollibean Foods Pte Ltd (“JFPL”)* &	Singapore	Operation of retail outlets and food caterer in Singapore as well as to grant franchise to operate outlets both locally and internationally.	-	65
Berjaya Food Supreme Sdn Bhd (“BFSSB”)#	Brunei	Development and operation of the "Starbucks Coffee" chain of cafes and retail stores in Brunei.	80	80
Ser Vegano Sdn Bhd (“SER”)*@	Malaysia	Operates Latin- inspired, Tex-Mex, plant-based vegan restaurants under the name “Sala”.	50	50
Berjaya Kelava Sdn Bhd (“BKelava”)*	Malaysia	Carry on business of manufacturing and trading, producing vegan ice cream under the brand name of “Kelava”.	51	51

## Notes to the Financial Statements

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## 7. SUBSIDIARY COMPANIES (CONTINUED)

Name	Country of incorporation	Principal activities	% of ownership interest held by the Group	
			2024	2023
Subsidiaries of BFI (continued)				
Berjaya Jollibean (M) Sdn Bhd (“BJM”)	Malaysia	Production and distribution of food and beverages in Malaysia.	100	100
Berjaya Paris Baguette Philippines Inc (“BPBPI”)*	Philippines	Producing, packaging and dealing with baked goods under the name of “Paris Baguette”.	60	-
Berjaya Nordic (Denmark) ApS (“BNDA”)*	Denmark	Investment holding.	95.5	-
Subsidiary of BNDA				
Berjaya Coffee Nordic ApS (“BCNA”)*	Denmark	Operation of food and beverage in Denmark.	100	-
Subsidiaries of BCNA				
Berjaya Coffee Iceland ehf.*	Iceland	Operation of food and beverage in Iceland.	100	-
Berjaya Coffee Finland Oy*	Finland	Operation of food and beverage in Finland.	100	-

Notes:

# audited by other member firm of Ernst &amp; Young Global.

\* audited by other firms of chartered accountants.

@ Accounted for as a subsidiary company as the Group has control in accordance with the requirements of MFRS 10 despite the Group's 50% shareholding.

&amp; Subsidiary company disposed on 1.11.2023.

## 7.1 Disposal of subsidiary company

During the current financial year, the Group completed the disposal of a subsidiary company, Jollibean Foods Pte. Ltd, for a total consideration of SGD637,000 approximately to RM2,210,000 (Note 40(2)).

The effects of the disposal on the financial statements of the Group are disclosed in the Statement of Cash Flows, Note (a).

# Notes to the Financial Statements

30 June 2024

## 7. SUBSIDIARY COMPANIES (CONTINUED)

### 7.2 Subsidiary company with material non-controlling interests

Summarised financial information of the subsidiary companies which have non-controlling interests that are material to the Group is set out below. The summarised financial information presented below is that of the amounts before inter-company elimination.

	JFPL *		BFSSB		Total	
	2024	2023	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Non-current assets	-	10,796	14,646	15,748	14,646	26,544
Current assets	-	4,723	7,363	12,764	7,363	17,487
Non-current liabilities	-	(6,199)	(12,128)	(13,066)	(12,128)	(19,265)
Current liabilities	-	(24,496)	(1,431)	(4,400)	(1,431)	(28,896)
Net (liabilities)/assets	-	(15,176)	8,450	11,046	8,450	(4,130)
Equity attributable to the owners of the parent	-	(9,864)	6,760	8,837	6,760	(1,027)
Non-controlling interests	-	(5,312)	1,690	2,209	1,690	(3,103)
	-	(15,176)	8,450	11,046	8,450	(4,130)
Revenue	-	20,672	6,037	9,799	6,037	30,471
(Loss)/profit for the year	-	(3,133)	(887)	1,411	(887)	(1,722)
Other comprehensive income	-	(1,048)	62	916	62	(132)
Total comprehensive income for the year	-	(4,181)	(825)	2,327	(825)	(1,854)
(Loss)/profit attributable to the:						
- Owners of the parent	-	(2,036)	(710)	1,129	(710)	(907)
- Non-controlling interests	-	(1,097)	(177)	282	(177)	(815)
(Loss)/profit for the year	-	(3,133)	(887)	1,411	(887)	(2,765)
Total comprehensive income attributable to:						
- Owners of the parent	-	(2,717)	(660)	1,862	(660)	(855)
- Non-controlling interests	-	(1,464)	(165)	465	(165)	(999)
Total comprehensive income for the year	-	(4,181)	(825)	2,327	(825)	(1,854)
Net cash generated from/(used in)						
- Operating activities	-	1,376	(2,072)	5,336	(2,072)	6,712
- Investing activities	-	(1,703)	(1,023)	(1,512)	(1,023)	(3,215)
Net change in cash and cash equivalents	-	(327)	(3,095)	3,824	(3,095)	3,497

\* Subsidiary company disposed on 1.11.2023.

## Notes to the Financial Statements

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## 8. JOINT VENTURE

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cost of investment	10,000	5,000	10,000	5,000
Share of post-acquisition reserves	(1,517)	(350)	-	-
	<u>8,483</u>	<u>4,650</u>	<u>10,000</u>	<u>5,000</u>

The Group's effective equity interest in the joint venture company, its principal activity and country of incorporation are shown below:

Name	Country of incorporation	Principal activities	% of ownership interest held by the Group	
			2024	2023
Held by the Company:				
Berjaya Paris Baguette Sdn. Bhd. ("BPB")	Malaysia	Development and operation of the "Paris Baguette" chain of bakery and retail stores in Malaysia.	50	50

Summarised financial information in respect of BPB is set out below. The summarised financial information represents the amounts in the financial statements of the joint venture and not the Group's share of those amounts.

	BPB	
	2024	2023
	RM'000	RM'000
Non-current assets	37,839	18,161
Current assets	10,888	7,289
Non-current liabilities	(24,189)	(12,500)
Current liabilities	(7,573)	(3,651)
Net assets	<u>16,965</u>	<u>9,299</u>
The amounts of assets and liabilities above include the following:		
Cash and cash equivalents	<u>2,541</u>	<u>879</u>
Non-current financial liabilities (excluding trade and other payables and provision)	<u>(23,919)</u>	<u>(12,500)</u>



## Notes to the Financial Statements

30 June 2024

### 8. JOINT VENTURE (CONTINUED)

	BPB	
	2024 RM'000	2023 RM'000
Revenue	27,698	7,453
Loss for the period, representing total comprehensive income for the period	(2,334)	(701)
Loss for the period included the following:		
Depreciation	4,500	250
Finance costs	519	299

Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in joint venture:

	BPB	
	2024 RM'000	2023 RM'000
Net assets as at beginning of year	9,299	-
Loss for the period	(2,334)	(701)
Increase in share capital	10,000	10,000
Net assets as at end of year	16,965	9,299
Group's equity interest	50%	50%
Carrying value of Group's interest in joint venture	8,483	4,650

### 9. OTHER INVESTMENT

	Group	
	2024 RM'000	2023 RM'000
At fair value through other comprehensive income:		
- Quoted shares in Malaysia	23,384	23,621

Further details on the value hierarchy and classification of equity investments are disclosed in Notes 36 and 37 respectively.

## Notes to the Financial Statements

30 June 2024

## 10. INTANGIBLE ASSETS

## GROUP

	Goodwill	Trademark	Licence fees	Development right fees	Computer software	Computer software development cost	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2024</b>							
<u>Net carrying amount</u>							
At beginning of year	426,674	7,646	24,242	10	2,467	6,254	467,293
Additions	-	-	2,875	-	2,556	339	5,770
Amortisation	-	-	(1,521)	(9)	(1,207)	-	(2,737)
Impairment	(718)	-	-	-	-	-	(718)
Disposal of subsidiary	(3,642)	(7,646)	-	-	-	-	(11,288)
Exchange differences	-	-	4	-	(4)	-	-
At end of year	422,314	-	25,600	1	3,812	6,593	458,320
<b>As at 30 June 2024</b>							
Cost	423,571	-	37,834	114	16,482	6,593	484,594
Accumulated amortisation	-	-	(12,234)	(113)	(12,670)	-	(25,017)
Accumulated impairment	(1,257)	-	-	-	-	-	(1,257)
Net carrying amount	422,314	-	25,600	1	3,812	6,593	458,320
<b>2023</b>							
<u>Net carrying amount</u>							
At beginning of year	427,791	7,646	21,793	20	2,473	-	459,723
Additions	-	-	3,930	-	1,039	6,254	11,223
Amortisation	-	-	(1,335)	(10)	(1,051)	-	(2,396)
Impairment	(1,117)	-	-	-	-	-	(1,117)
Write off	-	-	(155)	-	-	-	(155)
Exchange differences	-	-	9	-	6	-	15
At end of year	426,674	7,646	24,242	10	2,467	6,254	467,293
<b>As at 30 June 2023</b>							
Cost	430,676	7,646	34,957	114	13,925	6,254	493,572
Accumulated amortisation	-	-	(10,715)	(104)	(11,458)	-	(22,277)
Accumulated impairment	(4,002)	-	-	-	-	-	(4,002)
Net carrying amount	426,674	7,646	24,242	10	2,467	6,254	467,293

# Notes to the Financial Statements

30 June 2024

## 10. INTANGIBLE ASSETS (CONTINUED)

### 10.1 Impairment testing on goodwill

#### (1) Allocation of goodwill

Goodwill has been allocated to the Group's CGUs identified within the geographical segments as follows:

	Group	
	2024 RM'000	2023 RM'000
Malaysia		
- Café chain	422,005	422,005
- Restaurant	177	895
- Other	132	132
Singapore	-	3,642
	<u>422,314</u>	<u>426,674</u>

#### (2) Impairment

During the current financial year, the Group carried out impairment assessments and recognised impairment of RM718,000 in respect of goodwill allocated to Malaysia segment for restaurant (2023: RM1,117,000, in respect on goodwill allocated to Singapore segment), as disclosed in Note 26(b). No impairment was necessary in respect of goodwill allocated to Malaysia segment for café chain as the recoverable amount of the CGU, which was determined based on VIU, was higher than its carrying amount.

#### (3) Key assumptions used in VIU calculations in respect of Malaysia segment for Café chain

The recoverable amount of the CGU is determined based on VIU calculation using probability-weighted average of cash flow projections for a period of 5 years covering 3 possible scenarios. The key assumptions used for VIU calculations are:

##### (a) Budgeted gross margin and growth rate

The basis used to determine the value assigned to the budgeted gross margins and growth rate takes into consideration the average gross margin and average growth rate achieved in prior years, expected efficiency improvements and market outlook including the expected period of recovery from the impact arising from the Middle Eastern conflict.

##### (b) Discount rate

The discount rates used reflects specific risks relating to the CGU. The discount rate applied to cash flows is 12.50% (2023: 12.50%).

#### (4) Sensitivity to changes in assumptions

Should the discount rate increased by 1.00% with all other variables held constant, the carrying amount of the goodwill allocated to Malaysia segment for Café chain is expected to be impaired by approximately RM15,030,000.

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

## Notes to the Financial Statements

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## 11. INVENTORIES

	Group	
	2024	2023
	RM'000	RM'000
<b>At cost</b>		
Food and beverages	19,912	22,823
Inventories for resale	27,027	19,545
Spares and other supplies	24,964	16,890
	<u>71,903</u>	<u>59,258</u>

The cost of inventories recognised as an expense during the financial year of the Group amounted to RM235,193,000 (2023: RM327,746,000).

## 12. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b><u>Current</u></b>				
<b>Trade receivables</b>				
- external parties	9,017	7,896	-	-
- related companies	544	549	-	-
	<u>9,561</u>	<u>8,445</u>	<u>-</u>	<u>-</u>
<b>Other receivables</b>				
Sundry receivables	4,073	3,645	1	204
Deposits	18,638	15,063	-	-
Amounts owing by subsidiary companies	-	-	35,275	56,506
	<u>22,711</u>	<u>18,708</u>	<u>35,276</u>	<u>56,710</u>
<b>Other current assets</b>				
Prepayments	6,307	4,891	30	32
Indirect tax recoverable	958	-	-	-
Dividend receivable	-	-	-	198
	<u>7,265</u>	<u>4,891</u>	<u>30</u>	<u>230</u>
Total current receivables	<u>39,537</u>	<u>32,044</u>	<u>35,306</u>	<u>56,940</u>
<b><u>Non-current</u></b>				
Deposits	10,777	16,719	-	-
Total trade and other receivables	<u>50,314</u>	<u>48,763</u>	<u>35,306</u>	<u>56,940</u>

## (a) Trade receivables

The trade receivables are corporate customers and credit card companies which are generally on 6-90 (2023: 6 - 90) days term.

## (b) Amounts owing by subsidiary companies

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

## Notes to the Financial Statements

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### 13. SHORT TERM INVESTMENT

	Group	
	2024 RM'000	2023 RM'000
At fair value through profit or loss:		
- Quoted shares in Malaysia	-	2,173

In the previous financial year, the above investments are in respect of a discretionary investment management agreement entered into with a fund manager as part of the Group's short-term cash management fund purposes.

### 14. DEPOSITS WITH FINANCIAL INSTITUTIONS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits with:				
Licensed banks	-	9,133	-	9,133
Other financial institutions	268	462	-	-
	268	9,595	-	9,133

The interest rates per annum and maturities of deposits as at reporting date were as follows:

	Group		Company	
	2024	2023	2024	2023
Interest rates per annum (%)				
- Licensed banks	-	2.60	-	2.60
- Other financial institutions	2.18	2.18	-	-
Maturities (days)				
- Licensed banks	-	3	-	3
- Other financial institutions	9 - 17	9 - 17	-	-

Included in deposits of the Group and of the Company are monies held in debt service reserve accounts amounting to RM268,000 (2023: RM9,595,000) and RM Nil (2023: RM9,133,000) respectively.



## Notes to the Financial Statements

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## 15. SHARE CAPITAL

	Group and Company			
	Number of shares		Share capital	
	2024 '000	2023 '000	2024 RM'000	2023 RM'000
<b>Issued and fully paid</b>				
At beginning of year	1,947,632	389,526	257,920	257,920
Bonus issue on the basis of four bonus shares for every one existing ordinary share held on 5 September 2022	-	1,558,106	-	-
At end of year	1,947,632	1,947,632	257,920	257,920

	Group and Company Number of shares	
	2024 '000	2023 '000
<b>Issued ordinary shares with voting rights</b>		
Total number of issued ordinary shares	1,947,632	1,947,632
Less: Total number of ordinary shares held as treasury shares (Note 17)	(175,821)	(193,364)
	1,771,811	1,754,268

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.

## 16. RESERVES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Merger deficit (Note a)	(55,087)	(55,087)	-	-
FVTOCI reserve (Note b)	1,389	1,626	-	-
Consolidation reserve (Note c)	-	729	-	-
Exchange reserves (Note d)	1,676	961	-	-
	(52,022)	(51,771)	-	-
Retained earnings	265,603	372,308	157,113	228,902
	213,581	320,537	157,113	228,902

## Notes to the Financial Statements

30 June 2024

### 16. RESERVES (CONTINUED)

Notes:

(a) Merger deficit

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

(b) FVTOCI reserve

The FVTOCI reserve represents the cumulative fair value changes, net of tax, if applicable, of FVTOCI financial assets until they are disposal of.

(c) Consolidation reserve

The consolidation reserve comprises the consolidation effects of change in the Group's equity interest in a subsidiary company which does not result in loss of control.

(d) Exchange reserves

This reserve represents the foreign currency translation differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

### 17. TREASURY SHARES

	Group and Company			
	Ordinary shares			
	2024	2023	2024	2023
	No. of shares	No. of shares		
	'000	'000	RM'000	RM'000
At beginning of year	193,364	144,935	85,328	45,437
Shares bought back during the year	-	48,429	-	39,891
Distributed as share dividend	(17,543)	-	(7,741)	-
At end of year	<u>175,821</u>	<u>193,364</u>	<u>77,587</u>	<u>85,328</u>

Pursuant to an Annual General Meeting held on 10 October 2013, the Company obtained a shareholders' mandate to undertake the purchase of up to 10% of the issued and paid-up share capital of the Company at the time of purchase.

The renewal of the Company's mandate relating to the share buyback of up to 10% of the existing total paid-up share capital, inclusive of all treasury shares that have been bought back, was approved by the shareholders of the Company at the Annual General Meeting held on 13 December 2023.

During the financial year, the Company did not buy back any of its shares from the open market.

## Notes to the Financial Statements

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## 18. LONG TERM BORROWINGS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Secured</b>				
Term loan (Note a)	51,995	66,884	51,995	66,884
Portion repayable within 12 months included under short term borrowings (Note 22)	(51,995)	(14,979)	(51,995)	(14,979)
	-	51,905	-	51,905
Hire purchase payable (Note b)	8,392	4,773	-	-
Portion repayable within 12 months included under short term borrowings (Note 22)	(2,726)	(1,715)	-	-
	5,666	3,058	-	-
	5,666	54,963	-	51,905

Details of the long term borrowings outstanding are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Amounts repayable:</b>				
More than one year but not later than two years	1,797	53,407	-	51,905
More than two years but not later than five years	3,869	1,556	-	-
	5,666	54,963	-	51,905

Notes:

- (a) The secured term loan is secured by way of a fixed charge on the shares of a subsidiary company as disclosed in Note 7 and further secured by monies held by debt service reserve accounts as disclosed in Note 14.

The interest rate per annum at the reporting date for the term loan was 5.62% (2023: 5.55%).

- (b) The Group's hire purchase payable bore effective interest rate of 2.70% to 5.35% (2023: 2.70% to 5.35%) per annum.

# Notes to the Financial Statements

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## 19. DEFERRED TAX

	Group	
	2024	2023
	RM'000	RM'000
At beginning of the year	(8,040)	(7,322)
Recognised in profit or loss	(1,810)	(718)
At end of the year	(9,850)	(8,040)

Presented after appropriate offsetting as follows:

	Group	
	2024	2023
	RM'000	RM'000
Deferred tax assets	(9,850)	(8,040)
Deferred tax liabilities	-	-
	(9,850)	(8,040)

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

### GROUP

	Contract liabilities	Unabsorbed capital allowances	Others	Total
	RM'000	RM'000	RM'000	RM'000
<b>Deferred Tax Assets</b>				
<b>2024</b>				
At beginning of the year	(21,743)	(975)	(8,848)	(31,566)
Recognised in profit or loss	2,659	796	(3,859)	(404)
At end of the year	(19,084)	(179)	(12,707)	(31,970)
Set-off against deferred tax liabilities				22,120
				(9,850)
<b>2023</b>				
At beginning of the year	(18,347)	(1,190)	(6,084)	(25,621)
Recognised in profit or loss	(3,396)	215	(2,764)	(5,945)
At end of the year	(21,743)	(975)	(8,848)	(31,566)
Set-off against deferred tax liabilities				23,526
				(8,040)

## Notes to the Financial Statements

30 June 2024

## 19. DEFERRED TAX (CONTINUED)

## GROUP

	Property, plant and equipment	Total
	RM'000	RM'000
<b><u>Deferred Tax Liabilities</u></b>		
<b>2024</b>		
At beginning of the year	23,526	23,526
Recognised in profit or loss	(1,406)	(1,406)
At end of the year	22,120	22,120
Set-off against deferred tax assets		(22,120)
		-
<b>2023</b>		
At beginning of the year	18,299	18,299
Recognised in profit or loss	5,227	5,227
At end of the year	23,526	23,526
Set-off against deferred tax assets		(23,526)
		-

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

	Group	
	2024	2023
	RM'000	RM'000
Unutilised tax losses	5,952	21,246
Unabsorbed capital allowances	4,490	1,623
	10,442	22,869

Deferred tax assets have not been recognised in respect of the items above as it is not probable that future taxable profits will be available against which the items above can be utilised.

The Malaysia Finance Act 2018 gazetted on 27 December 2018 imposed a time limitation to restrict the carry forward of the unutilised tax losses to a maximum period of 7 consecutive Year of Assessment ("YA"), effective YA 2019. Based on the latest Malaysia Finance Act 2021, gazetted on 31 December 2021, the time limit for the carry forward of the unutilised tax losses has been extended from 7 years to 10 years. As a result of this change, the unutilised tax losses accumulated up to the YA 2018 are allowed to be carried forward for 10 consecutive years of assessment (i.e. from YA 2019 to 2028). Any balance of the unutilised tax losses thereafter shall be disregarded.

The foreign unutilised tax losses and unabsorbed capital allowance applicable to foreign incorporated subsidiary companies are pre-determined by and subject to the tax legislation of the respective countries.

Pursuant to the relevant tax regulations, the unutilised tax losses and unabsorbed capital allowance at the end of the reporting period will expire as follows:

	Group	
	2024	2023
	RM'000	RM'000
With no expiry	4,490	1,623
More than 12 months	5,952	21,246
	10,442	22,869



## Notes to the Financial Statements

30 June 2024

### 20. PROVISION

	Group	
	2024 RM'000	2023 RM'000
At beginning of year	20,664	18,722
Provision for the year	1,026	2,074
Utilisation of provision	(912)	(323)
Disposal of subsidiary company	(653)	-
Exchange differences	3	191
At end of year	20,128	20,664
<b>At 30 June</b>		
Current	3,865	5,660
Non-current	16,263	15,004
	20,128	20,664

Provision for restoration costs is made based on the estimated cost of restoring the rented premises, arising from the use of such premises and in accordance to the stipulations in the tenancy agreements. The estimated costs of such restoration are included in the cost of property, plant and equipment.

The estimated restoration costs are reviewed and updated annually based on the latest cost of restoring a premise.

Provision for restoration costs is classified as non-current liabilities unless the tenancy agreement, for which the restoration is required, expires within 12 months after the reporting date.

### 21. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Trade payables</b>	48,015	57,735	-	-
<b>Other payables</b>				
Sundry payables	67,712	39,495	-	-
Accruals	51,574	41,591	1,485	1,141
Refundable deposit	1,291	1,396	-	-
Amounts owing to				
- related companies	7,894	65	7,614	6
- subsidiary companies	-	-	5,517	17,383
	128,471	82,547	14,616	18,530
<b>Other current liability</b>				
Indirect tax payable	4,117	10,500	-	-
	180,603	150,782	14,616	18,530

# Notes to the Financial Statements

30 June 2024

## 21. TRADE AND OTHER PAYABLES (CONTINUED)

### (a) Trade payables

These amounts are non-interest bearing. Trade payables are normally settled on 30 - 120 days (2023: 30 - 120 days) term.

### (b) Sundry payables

These amounts are non-interest bearing. Sundry payables are normally settled on 30 - 180 days (2023: 30 - 180 days) term.

### (c) Accruals

Included in accruals of the Group are accrued royalty expenses, accrual of rental, accrual for utilities and retention sums in relation to renovation works for outlets and restaurants.

### (d) The amounts owing to related companies

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

### (e) The amounts owing to subsidiary companies

The amounts owing to subsidiary companies are unsecured, repayable on demand and interest bearing.

## 22. SHORT TERM BORROWINGS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Secured</b>				
Long term loan - portion				
repayable within 12 months (Note 18)	51,995	14,979	51,995	14,979
Bank overdrafts	840	-	-	-
Short term loan	-	12,000	-	-
Revolving credits	213,000	151,500	-	-
Bankers acceptance	5,735	5,648	-	-
Hire purchase payable - portion				
repayable within 12 months (Note 18)	2,726	1,715	-	-
	<u>274,296</u>	<u>185,842</u>	<u>51,995</u>	<u>14,979</u>
<b>Unsecured</b>				
Other borrowing (Note b)	25,000	-	25,000	-
	<u>299,296</u>	<u>185,842</u>	<u>76,995</u>	<u>14,979</u>

Notes:

- The short term loan, revolving credits and bankers acceptance of the Group are secured by corporate guarantees provided by the Company. A short term loan is further secured by monies held by debt service reserve accounts as disclosed in Note 14.
- During the financial year, the Company entered into a loan agreement with its related company, Inter-Pacific Credits Sdn Bhd. The loan obtained by the Company is unsecured and with a maturity date of 12 months from the respective date of agreement.

## Notes to the Financial Statements

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### 22. SHORT TERM BORROWINGS (CONTINUED)

The range of interest rates per annum at the reporting date for borrowings was as follows:

	Group		Company	
	2024	2023	2024	2023
	%	%	%	%
<b>Secured</b>				
Bank overdrafts	8.60 - 8.65	-	-	-
Short term loan	-	6.35	-	-
Revolving credits	4.65 - 5.41	3.96 - 5.06	-	-
Bankers acceptance	4.58 - 4.80	1.00 - 4.66	-	-
<b>Unsecured</b>				
Other borrowing	10.00	-	10.00	-

### 23. CONTRACT LIABILITIES

Contract liabilities represents the cash balances in the stored value cards and the deferral in the recognition of revenue relating to the customer loyalty programmes based on the estimated fair value of the free food, beverage or merchandise that is expected to be redeemed. It also represents the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period. The contract liabilities will only be recognised when the cash balances are used for purchases or when redemption occurs or upon expiry of the redemption period, and hence the Group applies the practical expedient not to disclose the information pertaining to the timing of revenue recognition from the remaining performance obligations.

	Group	
	2024	2023
	RM'000	RM'000
At beginning of year	90,310	76,477
Deferred during the year	343,627	532,466
Recognised during the year	(353,823)	(518,633)
Disposal of subsidiary	(421)	-
At end of year	79,693	90,310

## Notes to the Financial Statements

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**24. REVENUE**

Revenue consists of the following:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue from contract with customers:				
Sale of food, beverages and merchandises	750,702	1,115,966	-	-
Other revenue:				
Dividend income from subsidiary company	-	-	13,110	112,470
	<u>750,702</u>	<u>1,115,966</u>	<u>13,110</u>	<u>112,470</u>
Timing of revenue recognition				
- at a point in time	<u>750,702</u>	<u>1,115,966</u>		

**25. FINANCE COSTS**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest expenses on				
- Bank borrowings	13,456	8,853	3,601	3,729
- Amount due to a subsidiary company	-	-	1,133	1,043
- Other borrowing	377	-	377	-
- Hire purchase	590	439	-	-
- Lease liabilities (Note 6(b))	21,894	19,093	-	-
Charge out of deferred transaction costs	111	174	111	174
Loan related expenses	-	270	-	-
	<u>36,428</u>	<u>28,829</u>	<u>5,222</u>	<u>4,946</u>

# Notes to the Financial Statements

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## 26. (LOSS)/PROFIT BEFORE TAX

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>(Loss)/Profit before tax</b>				
<b>is arrived at after charging:</b>				
Auditors' remuneration				
<u>Auditors of the Company (Ernst &amp; Young PLT)</u>				
- statutory audit fee	578	418	162	136
- underprovision in prior years	57	29	43	13
- others services	271	76	190	15
<u>Other auditors other than Ernst &amp; Young PLT</u>				
- statutory audit fee	15	63	-	-
- others services	129	156	-	-
Depreciation of:				
- property, plant and equipment	51,620	46,774	3	1
- right-of-use assets	80,004	80,694	-	-
Amortisation of intangible assets	2,737	2,396	-	-
Royalty expense payable to				
- related company	167	208	-	-
- third party	34,890	61,137	-	-
Staff costs (Note a)	188,810	216,697	728	819
Expenses relating to leases:				
- short-term leases	5,672	3,589	-	-
- leases of low-value assets	26	98	-	-
- relating to variable leases				
payments not included in the				
measurement of lease liabilities	27,196	44,348	-	-
Loss on foreign exchange	569	704	-	-
Other expenses (Note b)	48,976	6,456	62,231	23,469
<b>and crediting:</b>				
Gain on foreign exchange	81	1,168	-	-
Other income (Note c)	13,943	17,763	2,674	1,573



## Notes to the Financial Statements

30 June 2024

## 26. (LOSS)/PROFIT BEFORE TAX (CONTINUED)

(a) Staff costs consist of the following:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and allowances	146,804	166,951	598	629
Social security costs and employees insurance	2,781	3,144	9	8
Bonuses	2,514	5,428	28	83
Pension costs				
- defined contribution plans	18,461	21,123	78	88
Other staff related expenses	18,250	20,051	15	11
	<u>188,810</u>	<u>216,697</u>	<u>728</u>	<u>819</u>

Staff costs exclude remuneration of directors.

(b) Other expenses

Included in other expenses are the following:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Impairment in value of:				
- investment in subsidiaries	-	-	62,231	23,469
- goodwill	718	1,117	-	-
- property, plant and equipment	11,255	1,617	-	-
- right-of-use-assets	10,601	2,261	-	-
Loss on disposal of a subsidiary company	10,499	-	-	-
Loss on sale of property, plant and equipment	431	4	-	-
Intangible assets written off	-	155	-	-
Property, plant and equipment written off	<u>15,472</u>	<u>1,302</u>	<u>-</u>	<u>-</u>

# Notes to the Financial Statements

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## 26. (LOSS)/PROFIT BEFORE TAX (CONTINUED)

### (c) Other income

Included in other income are the following:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest income				
- subsidiary company	-	-	2,486	1,354
- financial institutions	291	584	188	219
Gross dividends from other investment				
- quoted in Malaysia	320	641	-	-
Royalty fee income				
from a related company	240	259	-	-
Gain on sale of property, plant and equipment	130	130	-	-
Reversal of impairment in value of:				
- property, plant and equipment	6	406	-	-
- right-of-use-assets	-	533	-	-
Government grant subsidy	-	440	-	-
Gain on lease modification	4,420	1,060	-	-
Fair value gain on FVTPL equity instruments quoted in Malaysia	489	1,926	-	-
Foreign currency reserve transferred to profit or loss due to disposal of a subsidiary company	796	-	-	-
Investment income	20	174	-	-
Service charge income	4,309	4,952	-	-

# Notes to the Financial Statements

30 June 2024

## 27. DIRECTORS' REMUNERATION

The aggregate remuneration paid and payable by the Group and by the Company to the directors of the Company are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Directors of the Company</b>				
Executive				
- Fees	49	46	-	-
- Salaries and other emoluments	2,170	2,020	195	183
- Bonus	462	416	40	40
- Benefit-in-kind	10	22	-	-
	<u>2,691</u>	<u>2,504</u>	<u>235</u>	<u>223</u>
Non-executive				
- Fees	240	184	240	184
- Other emoluments	378	371	378	371
	<u>618</u>	<u>555</u>	<u>618</u>	<u>555</u>
Total directors' remuneration	<u>3,309</u>	<u>3,059</u>	<u>853</u>	<u>778</u>

## 28. TAXATION

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current income tax				
- Malaysian tax	1,390	48,904	472	372
- Foreign tax	-	493	-	-
	<u>1,390</u>	<u>49,397</u>	<u>472</u>	<u>372</u>
Over provision in prior year				
- Malaysian tax	(1,132)	(957)	(1)	-
- Foreign tax	(73)	(90)	-	-
	<u>(1,205)</u>	<u>(1,047)</u>	<u>(1)</u>	<u>-</u>
	<u>185</u>	<u>48,350</u>	<u>471</u>	<u>372</u>
Deferred tax				
- Relating to origination and reversal of temporary differences	(672)	(942)	-	-
- (Over)/Under provision in prior year	(1,138)	224	-	-
	<u>(1,810)</u>	<u>(718)</u>	<u>-</u>	<u>-</u>
Taxation	<u>(1,625)</u>	<u>47,632</u>	<u>471</u>	<u>372</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

## Notes to the Financial Statements

30 June 2024

### 28. TAXATION (CONTINUED)

A reconciliation of income tax expense applicable to (loss)/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 are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
(Loss)/profit before tax	(89,062)	148,734	(54,806)	82,810
Applicable tax rate (%)	24	24	24	24
Taxation at applicable tax rate	(21,375)	35,696	(13,153)	19,874
Income not subject to tax	(91)	(339)	(3,146)	(26,945)
Expenses not deductible under tax legislation	19,296	11,213	16,771	7,443
Effect of share of results of joint venture	280	84	-	-
Effect of different tax rate in other countries	157	(64)	-	-
Effect of withholding tax	4	53	-	-
Deferred tax assets not recognised during the financial year	2,447	1,812	-	-
Over provision of income tax in prior years	(1,205)	(1,047)	(1)	-
(Over)/under provision of deferred tax in prior years	(1,138)	224	-	-
Taxation	(1,625)	47,632	471	372

### 29. (LOSS)/EARNINGS PER SHARE

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

	Group	
	2024 RM'000	2023 RM'000
(Loss)/Profit attributable to equity holders	(90,922)	103,404
Weighted average number of ordinary shares with voting rights in issue ('000)	1,763,807	1,757,846
Basic (loss)/earnings per share (sen)	(5.15)	5.88

Diluted (loss)/earnings per share is not presented as there were no potential dilutive ordinary shares during the financial year.

## Notes to the Financial Statements

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## 30. DIVIDENDS

	Company			
	2024 Dividend per share Sen	2024 Dividend RM'000	2023 Dividend per share Sen	2023 Dividend RM'000
<b>Recognised during the year:</b>				
<u>in respect of preceding financial year</u>				
- 4th interim dividend of 0.50 sen single-tier dividend (30.6.2023: 4th interim dividend of 0.40 sen single-tier dividend)	0.50	8,771	0.40	7,081
<u>in respect of current financial year</u>				
- 1st interim dividend of 0.44 sen single-tier dividend (30.6.2023: 1st interim dividend of 0.50 sen single-tier dividend)	0.44	7,741	0.50	8,771
- 2nd interim dividend - Nil (30.6.2023: 2nd interim dividend of 2.00 sen single-tier dividend)	-	-	2.00	35,085
- 3rd interim dividend - Nil (30.6.2023: 3rd interim dividend of 0.50 sen single-tier dividend)	-	-	0.50	8,771
	<u>0.94</u>	<u>16,512</u>	<u>3.40</u>	<u>59,708</u>



## Notes to the Financial Statements

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### 31. SEGMENTAL INFORMATION

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

Unallocated assets include items relating to investing and financing activities and items that cannot be reasonably allocated to individual segments.

<b>Results</b>	<b>2024 RM'000</b>	<b>2023 RM'000</b>
Malaysia	(28,070)	180,443
Other South-East Asian countries	(4,298)	(2,790)
	(32,368)	177,653
Unallocated corporate expenses	(9,002)	(1,948)
	(41,370)	175,705
Investment related income	1,120	3,325
Investment related expenses	(11,217)	(1,117)
	(51,467)	177,913
Finance costs	(36,428)	(28,829)
Share of results of joint venture	(1,167)	(350)
(Loss)/Profit before tax	(89,062)	148,734
Taxation	1,625	(47,632)
(Loss)/Profit for the year	(87,437)	101,102

	<b>Revenue RM'000</b>	<b>Capital expenditure RM'000</b>	<b>Assets RM'000</b>	<b>Liabilities RM'000</b>
<b>2024</b>				
Malaysia	736,027	163,095	909,608	690,447
Other South-East Asian countries	14,675	5,104	37,498	27,474
Nordic countries	-	-	79	15
	750,702	168,199	947,185	717,936
Unallocated items	-	-	468,170	304,962
<b>Total</b>	<b>750,702</b>	<b>168,199</b>	<b>1,415,355</b>	<b>1,022,898</b>
<b>2023</b>				
Malaysia	1,085,898	202,731	926,779	669,508
Other South-East Asian countries	30,068	10,201	44,031	48,161
	1,115,966	212,932	970,810	717,669
Unallocated items	-	-	475,333	240,805
<b>Total</b>	<b>1,115,966</b>	<b>212,932</b>	<b>1,446,143</b>	<b>958,474</b>

# Notes to the Financial Statements

30 June 2024

## 32. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the transactions detailed in Note 22 and 26, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Transactions with:</b>				
<b>Ultimate holding company</b>				
- Management fees payable	300	300	300	300
<b>Subsidiaries of ultimate holding company</b>				
- Purchase of cleaning material	170	160	-	-
- Rental payable	1,612	1,087	-	-
- Security guard services	306	456	-	-
- Leasing and hire purchase services	4,295	1,469	-	-
<b>Companies related to a major shareholder of the ultimate holding company</b>				
- Promotion and advertising expenses	69	123	69	65
- Rental payable	686	656	-	-
- Income from selling food and beverage products	(2,043)	(2,465)	-	-
- Procurement of advertising services	876	920	-	-

## 33. KEY MANAGEMENT PERSONNEL COMPENSATION

The compensation of the key management personnel which comprises persons (including the Directors of the Company) having authority and responsibility for planning, directing and controlling the activities of the Group and the Company directly or indirectly is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Short-term benefits	3,764	3,531	919	867
Post-employment benefits	409	382	76	78
	4,173	3,913	995	945

# Notes to the Financial Statements

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## 34. COMMITMENTS

	Group	
	2024 RM'000	2023 RM'000
Capital expenditure		
Property, plant and equipment		
- approved and contracted for	4,649	18,382
- others	115	5,750
	4,764	24,132
Share subscription in		
- joint venture	5,000	10,000
	9,764	34,132

## 35. FINANCIAL GUARANTEES

The Company provided corporate guarantees to certain financial institutions for credit facilities granted to its subsidiary companies. The Company has assessed and regarded that the credit enhancements provided by these guarantees are minimal. As such, the Company did not ascribe any values to these corporate guarantees.

## 36. FAIR VALUE MEASUREMENT

The Group and the Company measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

### 36.1 Financial Instruments that are measured at fair value

The table below analyses the financial instruments measured at fair value at the reporting date, according to the level in the fair value hierarchy:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>2024</b>				
<b>Financial assets</b>				
Other investment	23,384	-	-	23,384
<b>2023</b>				
<b>Financial assets</b>				
Other investment	23,621	-	-	23,621
Short term investment	2,173	-	-	2,173

There is no transfer of valuation technique between Level 1, 2 and 3 during the financial year.

# Notes to the Financial Statements

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## 37. FINANCIAL INSTRUMENTS

### 37.1 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		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Financial assets</b>				
<u>FVTOCI</u>				
Other investment	23,384	23,621	-	-
<u>FVTPL</u>				
Short term investment	-	2,173	-	-
<u>Amortised costs</u>				
Trade and other receivables	43,049	43,872	35,276	56,710
Deposits with financial institutions	268	9,595	-	9,133
Cash and bank balances	25,657	40,481	6,039	950
	<u>68,974</u>	<u>93,948</u>	<u>41,315</u>	<u>66,793</u>
Total financial assets	<u>92,358</u>	<u>119,742</u>	<u>41,315</u>	<u>66,793</u>
<b>Financial liabilities</b>				
<u>Amortised costs</u>				
Trade and other payables	176,486	140,282	14,616	18,530
Lease liabilities	437,367	455,283	-	-
Long term borrowings	5,666	54,963	-	51,905
Short term borrowings	299,296	185,842	76,995	14,979
Total financial liabilities	<u>918,815</u>	<u>836,370</u>	<u>91,611</u>	<u>85,414</u>

### 37.2 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
Trade and other receivables	12
Long term borrowings	18
Trade and other payables	21
Short term borrowings	22

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

# Notes to the Financial Statements

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## 38. 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.

### 38.1 Market risk

#### (1) 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.

The Group manages the interest rate risks of its deposits with licensed financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank. The Group also ensures that the rates contracted for its interest bearing receivables are reflective of the prevailing market rates.

The Group manages its interest rate risk exposure by actively reviewing its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes. The Group does not utilise interest swap contracts or other derivatives instruments for trading or speculation purposes.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

At the reporting date, the interest rate profile of the interest-bearing financial instruments were:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Fixed rate instruments</u>				
Financial assets	268	9,595	35,274	65,635
Financial liabilities	8,392	4,773	5,517	17,383
<u>Floating rate instruments</u>				
Financial liabilities	296,570	236,032	76,995	66,884

#### Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not measure any fixed rate instruments at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the statement of profit or loss and other comprehensive income.

#### Sensitivity analysis for interest rate risk

A change of 25 basis points in interest rates at the reporting date would result in change in profit or loss before tax of the Group and of the Company to be higher/lower by RM741,000 (2023: RM590,000) and by RM192,000 (2023: RM167,000), respectively. This analysis assumes that all the other variables remain constant.



# Notes to the Financial Statements

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## 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### 38.1 Market risk (continued)

#### (2) 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 is mainly exposed to United States Dollar ("USD"). The net significant unhedged financial liabilities of the Group that are denominated in USD are as follows:

<b><u>Functional Currency of the Group companies</u></b>	<b>2024 RM'000</b>	<b>2023 RM'000</b>
Trade and other payables	21,007	21,567

#### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in those foreign currencies and RM exchange rates, against the respective functional currencies of the Group entities, with all other variables remain constant:

	<b>2024 RM'000</b>	<b>2023 RM'000</b>
<b><u>(Decrease)/increase</u></b>		
USD/RM - strengthened 10%	(1,597)	(1,639)
- weakened 10%	1,597	1,639

### 38.2 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 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.

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 statements of financial position.

#### **Trade receivables**

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 minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness.

# Notes to the Financial Statements

30 June 2024

## 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### 38.2 Credit risk (continued)

The ageing analysis of the trade receivables using simplified approach is as follows:

	Group	
	2024 RM'000	2023 RM'000
Current	4,874	7,009
1 to 30 days	771	590
31 to 60 days	2,713	291
61 to 90 days	123	198
More than 90 days	1,080	357
	4,687	1,436
	9,561	8,445

Impairment for trade receivables are recognised based on the simplified approach. Impairment is recognised against trade receivables over their credit period based on estimated amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position. The Group's trade receivables are credit card companies and corporate customers. The Group considers the credit card companies have low credit risk, and there was no default payment record for the corporate customers, hence no impairment was provided on the trade receivables.

### Other receivables

Other receivables are also subject to the impairment requirement of MFRS. The Group and the Company's other receivables are mainly sundry deposits. The Group and the Company considers that the sundry deposits have minimal credit risk, hence no impairment was provided on the other receivables.

### Amounts owing by subsidiary companies

The Company applied the 3-stage general approach to measuring expected credit losses for amounts owing by subsidiary companies. Generally, the Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when the subsidiary is having a deficit in its total equity.

The Company determines the probability of default for these loans and advances individually using internal information available.

### 38.3 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.

# Notes to the Financial Statements

30 June 2024

## 38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

### 38.3 Liquidity risk (continued)

As at 30 June 2024, the net current liabilities of the Group were RM438,267,000 (2023: RM335,549,000). Despite the net current liabilities position of the Group, the directors believe the Group is able to generate sufficient cash flows from operations as well as to refinance its short term borrowings to meet their obligations in the next 12 months. On this basis, the directors have prepared the financial statements of the Group on a going concern basis.

#### Analysis of financial instruments by remaining contractual maturities

Group	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
<b>2024</b>				
<b>Financial liabilities</b>				
Trade and other payables	176,486	-	-	176,486
Lease liabilities	84,397	241,110	203,196	528,703
Borrowings	305,742	7,126	-	312,868
	<u>566,625</u>	<u>248,236</u>	<u>203,196</u>	<u>1,018,057</u>
<b>2023</b>				
<b>Financial liabilities</b>				
Trade and other payables	140,282	-	-	140,282
Lease liabilities	88,537	255,580	202,441	546,558
Borrowings	190,502	58,083	-	248,585
	<u>419,321</u>	<u>313,663</u>	<u>202,441</u>	<u>935,425</u>
<b>Company</b>				
	On demand or within one year RM'000	One to five years RM'000	Total RM'000	
<b>2024</b>				
<b>Financial liabilities</b>				
Trade and other payables	14,616	-	14,616	
Borrowings	79,488	-	79,488	
	<u>94,104</u>	<u>-</u>	<u>94,104</u>	
<b>2023</b>				
<b>Financial liabilities</b>				
Trade and other payables	18,530	-	18,530	
Borrowings	19,751	54,376	74,127	
	<u>38,281</u>	<u>54,376</u>	<u>92,657</u>	

## Notes to the Financial Statements

30 June 2024

### 39. 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's 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.

The Group monitors capital using a gearing ratio, which is total debt divided by total equity. Total equity represents net equity attributable to the owners of the parent plus non-controlling interests.

	Group	
	2024 RM'000	2023 RM'000
Long term borrowings	5,666	54,963
Short term borrowings	299,296	185,842
Total debt	304,962	240,805
Total equity	392,457	487,669
Gearing ratio	77.71%	49.38%

The gearing ratio is not governed by MFRS and its definition and calculation may vary from one Group/Company to another.

### 40. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- On 1 August 2023, Berjaya Food (International) Sdn Bhd ("BFI"), a wholly-owned subsidiary of the Group, entered into a joint venture cum shareholders agreement with Middle Trade Inc. to incorporate a 60%-owned subsidiary company namely Berjaya Paris Baguette Philippines Inc ("BPBPI"). The subscribed capital in BPBPI is PHP150,000,000 comprising 1,500,000 shares and the initial paid-up capital is PHP37,875,000. BFI had paid for the 60% paid-up capital amounting to about PHP22.42 million (equivalent to RM1.94 million) during the current financial year. The principal activities of BPBPI are producing, packaging and dealing with baked goods under the Paris Baguette brand and establishing and launching the Paris Baguette stores selling baked goods in the Philippines.
- On 1 November 2023, BFI had completed the disposal of its 65%-owned subsidiary company, Jollibean Foods Pte. Ltd., for a total consideration of SGD637,000 (equivalent to approximately RM2,210,000).
- On 4 March 2024, BFI had incorporated a subsidiary company, Berjaya Nordic (Denmark) ApS ("BNDA"). BFI subscribed for 5,348 ordinary shares representing 95.5% equity interest for EUR5,348 equivalent to approximately RM28,000. The intended principal activity of BNDA is investment holding.
- On 18 March 2024, BNDA, had incorporated a 100% owned subsidiary company, Berjaya Coffee Nordic ApS ("BCNA"). The total initial paid-up share capital was EUR5,600 or about RM28,500 comprising of 5,600 ordinary shares of EUR1.00 each. The principal activity is to operate food and beverage in Denmark.
- On 27 March 2024, BCNA, had incorporated a 100% owned subsidiary company, Berjaya Coffee (Iceland) ehf, a Icelandic limited liability company in Iceland. The total initial paid-up share capital was EUR3,327 or about RM17,227 comprising of 500,000 ordinary shares of ISK1.00 each. The principal activity is to operate food and beverage in Iceland.

## Notes to the Financial Statements

30 June 2024

### 40. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONTINUED)

- 6) On 15 April 2024, BCNA, had incorporated a 100% owned subsidiary company, Berjaya Coffee (Finland) Oy, a Finnish limited liability company in Finland comprising of 1 piece of ordinary share and zero value of share capital. The principal activity is to operate food and beverage in Finland.

### 41. SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR

- 1) On 15 August 2024, BFI had completed the disposal of its 50%-owned subsidiary company, Ser Vegano Sdn Bhd, for a total consideration of RM1.00.
- 2) On 20 September 2024, BFI had proposed the disposal of the entire 51% stake together with 100% of the redeemable convertible preference shares in Berjaya Kelava Sdn Bhd for a total cash consideration of RM1.35 million.



# Independent Auditors' Report to the Members of Berjaya Food Berhad

(Incorporated in Malaysia)

## Report on the audit of the financial statements

### *Opinion*

We have audited the financial statements of Berjaya Food Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 128 to 185.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### *Basis for opinion*

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Independence and other ethical responsibilities*

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. The key audit matters for the audit of the financial statements of the Group and of the Company are described below. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For each matter below, our description of how our audit addressed the matter is provided in that content.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis of our audit opinion on the accompanying financial statements.

# Independent Auditors' Report to the Members of Berjaya Food Berhad

(Incorporated in Malaysia)

## Report on the audit of the financial statements (cont'd)

### Key audit matters in respect of audit of the financial statements of the Group

#### 1. Impairment of Goodwill relating to café chain segment and Property Plant and Equipment (PPE) and Right of Use Assets (ROU) relating to the Malaysia segment

(refer to Note 4(b)(i), Note 4(b)(iv), Note 5, Note 6 and Note 10 to the financial statements)

Goodwill relating to the café chain segment, PPE and ROU relating to the Malaysia segment amounting to RM422,005,000, RM309,093,000 and RM385,756,000 formed 30%, 22% and 27% of total assets of the Group as at 30 June 2024, respectively.

Goodwill is subject to an annual impairment test whereas PPE and ROU are tested when there is indication of impairment. The Group estimates the recoverable amount of the cash generating unit ("CGU") based on value-in-use ("VIU"). Estimating the VIU of the CGU involves assumptions made by the management relating to the future cash inflows and outflows that will be derived from the CGU, and discounting them at an appropriate rate. The cash flow forecasts, which have been approved by the Board of Directors, contain a number of significant judgements and estimates including estimates on budgeted gross margin, revenue growth rate and discount rate

Arising from the assessment, the Group recorded an impairment loss of RM11,255,000 and RM10,601,000 relating to PPE and ROU respectively in the current financial year.

We consider this to be an area of focus for our audit as the amount involved is significant and the impairment assessment is complex and involves significant judgements about future market and economic conditions.

Our procedures to address this area of focus include, amongst others, the following:

- Obtaining an understanding of the relevant internal controls over the process of estimating the recoverable amounts of the CGU;
- Obtaining the board approved cash flow forecasts and budgets used by management for impairment assessment;
- Evaluating the appropriateness of the methodology and approach applied, and considered whether it is commonly used in the industry;
- Evaluating the basis of preparing the cash flow forecasts by taking into consideration the assessment of management's historical budgeting accuracy;
- Challenging whether key assumptions relating to budgeted gross margin and revenue growth rate are reasonable by making comparisons to historical trends, taking into consideration the current and expected outlook of economic growth in Malaysia;
- Involving our internal valuation specialists to evaluate whether the rate used in discounting the future cash flows to its present value was appropriate ; and
- Analysing the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions to the recoverable amount.

# Independent Auditors' Report to the Members of Berjaya Food Berhad

(Incorporated in Malaysia)

## Report on the audit of the financial statements (cont'd)

### Key audit matters in respect of audit of the financial statements of the Group (cont'd.)

#### 1. Impairment of Goodwill relating to café chain segment and Property Plant and Equipment (PPE) and Right of Use Assets (ROU) relating to the Malaysia segment (cont'd.)

We have also evaluated the adequacy of the disclosures concerning those key assumptions to which the outcome of the impairment test is most sensitive. The disclosures on key assumptions and sensitivities are included in Note 5, Note 6 and Note 10 to the financial statements.

#### 2. Revenue from contracts with customers relating to the Malaysia segment

(refer to Note 3.12 and Note 24 to the financial statements)

Revenue from contracts with customers relating to the Malaysia segment amounting to RM736,027,000 formed 98% of revenue of the Group for the financial year ended 30 June 2024.

The processing and recording of revenue from sale of food and beverages and merchandise goods relies heavily on information technology systems. The information technology systems process large volumes of data which consists of individually low value transactions.

We consider this to be an area of focus for our audit as the magnitude and the high volume of transactions may give rise to a higher risk of material misstatement relating to timing and the amount of revenue recognised.

Our procedures to address this area of focus include, amongst others, the following:

- Obtaining an understanding of the relevant internal controls over the revenue recognition process;
- Involving our information technology specialists to test the operating effectiveness of the automated controls of Point of Sales system;
- Testing the data interface between the Point of Sales system and the general ledger, including the updating of approved product price changes in the system;
- Testing the relevant information technology-dependent manual controls in place to ensure the completeness and accuracy of revenue recognised;
- Obtaining reports on the service organisation's controls performed in accordance with International Standard on Assurance Engagements 3402 'Assurance Reports on Controls at a Service Organisation' to understand the controls that have been designed and implemented by the service organisation;
- Performing a three-way correlation between revenue, receivables, deferred revenue and cash and bank balances using data analytics; and
- Performing cut-off procedures to determine if revenue is recorded in the correct accounting period.

We have also evaluated the adequacy of the disclosures in relation to revenue recognised which are included in Note 24 to the financial statements.

# Independent Auditors' Report to the Members of Berjaya Food Berhad

(Incorporated in Malaysia)

## Report on the audit of the financial statements (cont'd)

### Key audit matters in respect of audit of the financial statements of the Company

#### 1. Impairment of investment in subsidiary companies

(refer to Note 4(b)(iii) and Note 7 to the financial statements)

As at 30 June 2024, the carrying amount of the investment in subsidiary companies amounted to RM377,849,000, representing 97% and 88% of the Company's total non-current assets and total assets respectively. Included in this amount is accumulated impairment of RM105,708,000 (2023: RM43,477,000) on certain subsidiary companies.

The Company reviews its investment for potential impairment of investment due to worsen performance and profitability of the subsidiary companies mentioned above. For this purpose, the Company performs an assessment to determine the recoverable amounts of such investments. The Company estimates the recoverable amounts of the respective subsidiaries' CGUs based on the higher of their fair values less cost to sell and their respective VIU. Estimating the VIU of the CGUs involved estimates made by management relating to the future cash inflows and outflows that will be derived from the CGUs, and discounting them at an appropriate rate.

The cash flow forecasts, which have been approved by the Board of Directors, contain a number of significant judgements and estimates such as the growth rate, margin and discount rate. Arising from the assessment, the Company recorded an impairment of RM62,231,000 in the current financial year.

We consider this to be an area of focus for our audit as the amounts involved are significant and the impairment assessment is complex and involves significant judgements about future market and economic conditions.

Our procedures to address this area of focus included, amongst others, the following:

- Obtaining an understanding of the relevant internal controls over the process of estimating the recoverable amounts of the CGUs;
- Obtaining the board approved cash flow forecast and budget used by management for impairment assessment;
- Evaluating the appropriateness of the methodology and approach applied, and considered whether it is commonly used in the industry;
- Evaluating the basis of preparing the cash flow forecasts by taking into consideration the assessment of management's historical budgeting accuracy;
- Challenging whether key assumptions relating to budgeted gross margin and revenue growth rate were reasonable by making comparisons to historical trends, taking into consideration the current and expected outlook of the economic growth;

# Independent Auditors' Report to the Members of Berjaya Food Berhad

(Incorporated in Malaysia)

## Report on the audit of the financial statements (cont'd)

### Key audit matters in respect of audit of the financial statements of the Company (cont'd)

#### 1. Impairment of investment in subsidiary company (cont'd)

- Involving our internal valuation specialists to evaluate whether the rate used in discounting the future cash flows to its present value was appropriate; and
- Analysing the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions to the recoverable amount.

We have also evaluated the adequacy of the disclosures concerning the impairment assessment which are included in Note 7 of the financial statements.

#### *Information other than the financial statements and auditors' report thereon*

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the annual report, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### *Responsibilities of the directors for the financial statements*

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.



## Independent Auditors' Report to the Members of Berjaya Food Berhad

(Incorporated in Malaysia)

### Report on the audit of the financial statements (cont'd)

#### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# Independent Auditors' Report to the Members of Berjaya Food Berhad

(Incorporated in Malaysia)

## Report on the audit of the financial statements (cont'd)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

## Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT  
202006000003 (LLP0022760-LCA) & AF 0039  
Chartered Accountants

Kuala Lumpur, Malaysia  
16 October 2024

Chong Tse Heng  
No. 03179/05/2025 J  
Chartered Accountant

# Recurrent Related Party Transactions of a Revenue or Trading Nature

For The Financial Year Ended 30 June 2024

Berjaya Food Berhad ("BFood") Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its unlisted subsidiary companies	Amount transacted from 1/7/2023 - 30/6/2024 (RM'000)
<b>Berjaya Corporation Berhad ("BCorp") and its unlisted subsidiary companies</b>		
BCorp	Management fees payable by BFood for services rendered that include, among others, the provision of finance, secretarial, internal audit and general administrative services	300
BCorp and its subsidiaries	Income receivable by Bestari Food Trading Sdn Bhd (Formerly known as Berjaya Food Trading Sdn Bhd) ("BFT") from sale of bottled beverages and consumable products	12
Berjaya Higher Education Sdn Bhd	Receipt of education and staff training services by the BFood Group	11
Berjaya Krispy Kreme Doughnuts Sdn Bhd	Income receivable by Berjaya Jollibean (M) Sdn Bhd from sale of food and beverages products	30
	Receipt of food handler training and quality assurance food store audit services by Berjaya Food (International) Sdn Bhd ("BFI")	10
	Purchase of consumable food products by BFT	95
BLoyalty Sdn Bhd	Loyalty reward charges payable by the BFood Group for managing the loyalty card programme	98
Berjaya Registration Services Sdn Bhd	Receipt of share registration services and other related services by BFood	102
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products by the BFood Group	170
Prime Credit Leasing Berhad	Receipt of leasing and hire purchase facilities by Berjaya Roasters (M) Sdn Bhd ("BRoasters")	4,295
Securexpress Services Sdn Bhd	Receipt of transportation services by the BFood Group	14
E.V.A. Management Sdn Bhd	Receipt of human resource management services by the BFood Group	50
Regal Class Residence Sdn Bhd	Rental payable by Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks") at RM19,098 per month or based on 15% of monthly gross sales generated, whichever is higher, for renting of shoplot at Lot 1-1-1A, Menara Bangkok Bank, Laman Sentral Berjaya, Jalan Ampang, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter	235
Berjaya Roasters Pte Ltd	Royalty fee payable by BRoasters in respect of receipt of ongoing training and support services provided	183
<b>Total</b>		<b>5,605</b>
<b>Berjaya Land Berhad ("BLand") and its unlisted subsidiary companies</b>		
Berjaya Guard Services Sdn Bhd	Receipt of security guard services by BStarbucks	306
Nural Enterprise Sdn Bhd	Rental payable by BStarbucks at RM6,500 per month for renting of office at Lots 1.07 & 1.08, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter	78

## Recurrent Related Party Transactions of a Revenue or Trading Nature

For The Financial Year Ended 30 June 2024

<b>Berjaya Food Berhad ("BFood") Group with the following Related Parties</b>	<b>Nature of transactions undertaken by BFood and/or its unlisted subsidiary companies</b>	<b>Amount transacted from 1/7/2023 - 30/6/2024 (RM'000)</b>
<b>Berjaya Land Berhad ("BLand") and its unlisted subsidiary companies (continued)</b>		
ANSA Hotel KL Sdn Bhd	Rental payable by BStarbucks at:-	
	1. RM98,601 per month for renting of shoplot at Lot 03, Ground Floor, ANSA Hotel KL, Jalan Bukit Bintang, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter	1,183
	2. RM982 per month for renting of storage space at Lot B-05, Basement, ANSA Hotel KL, Jalan Bukit Bintang, Kuala Lumpur. Tenure of the rental agreement is for a period of 2 years and renewable thereafter	12
BLand and its subsidiaries	Income receivable by BFT from sale of bottled beverages and consumable products	417
Berjaya Hartanah Berhad	Rental payable by BStarbucks at RM8,290 per month for renting of shoplot at Lot G-05, Ground Floor, Tropika Bukit Jalil, Jalan Jalil Perkasa 3, Kuala Lumpur. Tenure of the rental is for a period of 3 years and renewable thereafter	99
	Rental payable by BStarbucks at RM500 per month for placement of advertisement on LED screen panel at Tropika Bukit Jalil for a period of 1 year	6
Cempaka Properties Sdn Bhd	Rental payable by BRoasters at RM8,050 per month for renting of shoplot at Lot G.83, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan, Pahang. Tenure of the rental agreement is for a period of 3 years and renewable thereafter	97
	Rental payable by BStarbucks at:-	
	1. RM12,397 per month or based on 10% of monthly gross sales generated, whichever is higher, for renting of shoplot and RM1,650 per month for renting of outdoor seating at Lot G.15, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan, Pahang. Tenure of the rental agreement for shoplot is for a period of 3 years and the tenure of the rental agreement for the outdoor seating is for a period of 3 years and renewable thereafter	215
	2. RM300 per month for renting of storage space at Lot S2.B, 2 <sup>nd</sup> Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan, Pahang. Tenure of the rental agreement is for a period of 3 years and renewable thereafter	4
<b>Total</b>		<b>2,417</b>

## Recurrent Related Party Transactions of a Revenue or Trading Nature

For The Financial Year Ended 30 June 2024

Berjaya Food Berhad ("BFood") Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its unlisted subsidiary companies	Amount transacted from 1/7/2023 - 30/6/2024 (RM'000)
<b>Berjaya Assets Berhad ("BAssets") and its subsidiary companies</b>		
BTS Car Park Sdn Bhd	Parking charges payable monthly by the BFood Group for leasing of parking bays at Berjaya Times Square, Jalan Imbi, Kuala Lumpur	134
Berjaya Times Square Sdn Bhd	<p>Rental payable by BRoasters at:-</p> <ol style="list-style-type: none"> <li>1. RM8,235 per month or based on 15% of monthly gross sales generated, whichever is higher, for renting of shoplot at Lot 03-85, 3<sup>rd</sup> Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years</li> <li>2. RM430 per month for renting of walkway area adjacent to Lot 03-85A, 3<sup>rd</sup> Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years</li> <li>3. RM18,941 per month for renting of office at Lots 09-07 to 09-13, 9<sup>th</sup> Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter</li> </ol> <p>Rental payable by BStarbucks at:-</p> <ol style="list-style-type: none"> <li>1. RM12,908 per month for renting of walkway area adjacent to Lots G-09C, G-09D, G-09E and G-09G, Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter</li> <li>2. RM2,268 per month for renting of storage space at Lot 10-05, 10<sup>th</sup> Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter</li> <li>3. RM1,717 per month for renting of premises as call centre at Lot 10-01G, 10<sup>th</sup> Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter</li> </ol> <p>Rental payable by Berjaya Kelava Sdn Bhd at RM3,600 per month or based on 8% of monthly gross sales generated, whichever is higher, for renting of shoplot at Lot LG-49A-2, Lower Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter</p>	<p>150</p> <p>4</p> <p>227</p> <p>155</p> <p>25</p> <p>18</p> <p>40</p>



## Recurrent Related Party Transactions of a Revenue or Trading Nature

For The Financial Year Ended 30 June 2024

<b>Berjaya Food Berhad ("BFood") Group with the following Related Parties</b>	<b>Nature of transactions undertaken by BFood and/or its unlisted subsidiary companies</b>	<b>Amount transacted from 1/7/2023 - 30/6/2024 (RM'000)</b>
<b>Berjaya Assets Berhad ("BASSETS") and its subsidiary companies (continued)</b>		
Berjaya Waterfront Sdn Bhd	Rental payable by BStarbucks at RM5,613 per month or based on 12% of monthly gross sales generated, whichever is higher, for renting of shoplot at Lots 1.31 to 1.33, Level 1, Berjaya Waterfront Complex, Jalan Ibrahim Sultan, Stulang Laut, Johor Bahru. Rental is payable on a monthly basis based on mutually agreed month-to-month tenancy by way of letter	68
<b>Total</b>		<b>821</b>
<b>7-Eleven Malaysia Holdings Berhad and its subsidiary company</b>		
7-Eleven Malaysia Sdn Bhd	Income receivable by BFT from sale of bottled beverages and consumable products	1,430
	Procurement of advertising services payable by BFT	876
	Income receivable by Berjaya Jollibean (M) Sdn Bhd from sale of beverages and consumable products	613
<b>Total</b>		<b>2,919</b>
<b>Other related parties</b>		
Sun Media Corporation Sdn Bhd	Procurement of advertising and publishing services by the BFood Group	69
Qinetix MSP Sdn Bhd (a)	Purchase of hardware, software and network equipment by the BFood Group	13
<b>Total</b>		<b>82</b>
<b>Grand Total</b>		<b>11,844</b>

Note:

- (a) Qinetix MSP Sdn Bhd is a 100%-owned subsidiary of Qinetix Solutions Sdn Bhd which in turn is a 73%-owned subsidiary of MOL.com Sdn Bhd. TSVT is a deemed major shareholder of Qinetix MSP Sdn Bhd by virtue of his 81.17% direct interest in MOL.com Sdn Bhd.

# Other Information

## Material Contracts

Other than as disclosed in Notes 12, 21, 24, 26, 32 and 34 to the financial statements for the financial year ended 30 June 2024, 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 June 2024 amounted to RM400,000 (2023: RM232,000).

# Material Properties of The Group

As At 30 June 2024

Location	Tenure	Size	Estimated age of building	Date of acquisition	Net book value (RM'000)
No. G-09A, Ground Floor, Berjaya Times Square, No.1, Jalan Imbi, 55100 Kuala Lumpur	Freehold	161 sq.m.	21 years	02/09/2016	15,445
No. G-09B, Ground Floor, Berjaya Times Square, No.1, Jalan Imbi, 55100 Kuala Lumpur	Freehold	77 sq.m.	21 years	31/07/2018	11,439
Lot 10-01E, 10-01F and balance lot Level 10, Berjaya Times Square, No.1, Jalan Imbi, 55100 Kuala Lumpur	Freehold	7,732 sq.ft.	21 years	22/12/2021	4,794
Lot 10-02, 10-02A, 10-02B & 10-02C and balance lot Level 10, Berjaya Times Square, No.1, Jalan Imbi, 55100 Kuala Lumpur	Freehold	16,383 sq.ft.	21 years	22/12/2021	10,718

# Statement of Directors' Shareholdings

As At 2 October 2024

The Company	Number of ordinary shares			
	Direct Interest	%	Deemed Interest	%
Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah	585,800	0.03	-	-
Dato' Sydney Lawrance Quays	4,282,400	0.24	50,500 <sup>#</sup>	0.00
Tan Thiam Chai	2,043,735	0.12	-	-
Dato' (Dr) Mustapha Bin Abd Hamid	813,050	0.05	-	-

## SUBSIDIARY COMPANIES:

Berjaya Paris Baguette Philippines Inc	Number of ordinary shares			
	Direct Interest	%	Deemed Interest	%
Dato' Sydney Lawrance Quays	1,000	0.07	-	-

Berjaya Nordic (Denmark) ApS	Number of ordinary shares			
	Direct Interest	%	Deemed Interest	%
Dato' Sydney Lawrance Quays	252	4.50	-	-

## ULTIMATE HOLDING COMPANY:

Berjaya Corporation Berhad	Number of ordinary shares			
	Direct Interest	%	Deemed Interest	%
Dato' Sydney Lawrance Quays	27	0.00	-	-
Tan Thiam Chai	161,831	0.00	136,717 <sup>#</sup>	0.00
Chryseis Tan Sheik Ling	515,187	0.01	34,300,000 <sup>#</sup>	0.59

	Number of 2% Irredeemable Convertible Unsecured Loan Stocks 2016/2026 of RM1.00 nominal value each			
	Direct Interest	%	Deemed Interest	%
Tan Thiam Chai	1,000	0.00	-	-

	Number of Warrants 2016/2026			
	Direct Interest	%	Deemed Interest	%
Tan Thiam Chai	1,000	0.00	-	-

## Statement of Directors' Shareholdings

As At 2 October 2024

### RELATED COMPANIES:

Berjaya Land Berhad	Number of ordinary shares			
	Direct Interest	%	Deemed Interest	%
Tan Thiam Chai	40,000	0.00	-	-
Chryseis Tan Sheik Ling	5,000,000	0.10	-	-

Sports Toto Berhad	Number of ordinary shares			
	Direct Interest	%	Deemed Interest	%
Tan Thiam Chai	178,965	0.01	138,327 <sup>#</sup>	0.01

Berjaya Burger Sdn Bhd	Number of ordinary shares			
	Direct Interest	%	Deemed Interest	%
Dato' Sydney Lawrance Quays	780,000	6.00	-	-

<sup>#</sup> Denotes indirect interest pursuant to Section 59 (11) (c) of the Companies Act 2016.

Save as disclosed, none of the other Directors of the Company had any interest in the shares, warrants and debentures of the Company or its related corporations as at 2 October 2024.



# Substantial Shareholders

As At 2 October 2024

Name	Number of ordinary shares			
	Direct Interest	%	Deemed Interest	%
Berjaya Corporation Berhad	100,986,307	5.70	1,019,248,688 <sup>(a)</sup>	57.53
Berjaya Group Berhad	712,908,601	40.24	306,340,087 <sup>(b)</sup>	17.29
Juara Sejati Sdn Bhd	77,008,000	4.35	163,133,152 <sup>(c)</sup>	9.21

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

(b) Deemed interested by virtue of its 100% interest in Country Farms Sdn Bhd, Juara Sejati Sdn Bhd and Teras Mewah Sdn Bhd.

(c) Deemed interested by virtue of its interests in Berjaya Land Berhad, REDtone Digital Berhad, Inter-Pacific Capital Sdn Bhd, Inter-Pacific Securities Sdn Bhd, Inter-Pacific Credits Sdn Bhd (Formerly known as Inter-Pacific Management Sdn Bhd) and Sports Toto Berhad (the holding company of Magna Mahsuri Sdn Bhd).

# Statistics on Shares

As At 2 October 2024

## ANALYSIS OF SHAREHOLDINGS

Total Number of Issued Shares : 1,771,811,124 (excluding 175,821,661 Treasury Shares)  
 Class of Shares : Ordinary Shares  
 Voting Rights : One (1) vote per ordinary share

Size of Shareholdings	No. of Shareholders	%	No. of Ordinary Shares	%
less than 100	1,412	18.25	32,387	0.00
100 - 1,000	1,268	16.39	508,041	0.03
1,001 - 10,000	2,683	34.69	11,992,824	0.68
10,001 - 100,000	1,993	25.77	60,279,035	3.40
100,001 - 88,590,556	377	4.87	1,349,150,454	76.15
88,590,557* and above	2	0.03	349,848,383	19.74
<b>Total</b>	<b>7,735</b>	<b>100.00</b>	<b>1,771,811,124</b>	<b>100.00</b>

\* Denotes 5% of the total number of issued shares with voting rights.

## THIRTY (30) LARGEST SHAREHOLDERS

Name of Shareholders	No. of Ordinary Shares Held	%
1 <b>Berjaya Group Berhad</b>	248,862,076	14.05
2 <b>Amsec Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account - Ambank (M) Berhad For Berjaya Corporation Berhad	100,986,307	5.70
3 <b>CIMB Group Nominees (Tempatan) Sdn Bhd</b> Pembangunan Sumber Manusia Berhad	86,900,400	4.91
4 <b>Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd</b> Berjaya Mutual Berhad For Amanah Raya Berhad For Common Fund	86,860,000	4.90
5 <b>SJ Sec Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account - Al Rajhi Bank For Berjaya Group Berhad	84,230,000	4.75
6 <b>HLIB Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account For Berjaya Group Berhad	76,255,000	4.30
7 <b>CIMB Group Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account For Berjaya Group Berhad (BCB CBM-C2-SBLC)	67,521,025	3.81
8 <b>Maybank Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account For Berjaya Group Berhad	63,630,000	3.59
9 <b>Inter-Pacific Equity Nominees (Tempatan) Sdn Bhd</b> Inter-Pacific Credits Sdn Bhd (Formerly known as Inter-Pacific Management Sdn Bhd)	50,737,000	2.86
10 <b>Pertubuhan Keselamatan Sosial</b>	48,480,000	2.74
11 <b>Amsec Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account - Ambank (M) Berhad For Teras Mewah Sdn Bhd	43,430,000	2.45
12 <b>REDtone Digital Berhad</b>	38,927,416	2.20

## Statistics on Shares

As At 2 October 2024

Name of Shareholders	No. of Ordinary Shares Held	%
13 <b>Amsec Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account - Ambank (M) Berhad For Berjaya Group Berhad	35,350,000	2.00
14 <b>Magna Mahsuri Sdn Bhd</b>	34,239,236	1.93
15 <b>RHB Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account For Berjaya Group Berhad	34,000,000	1.92
16 <b>Citigroup Nominees (Asing) Sdn Bhd</b> Exempt An For Citibank New York (Norges Bank 22)	32,893,399	1.86
17 <b>Affin Hwang Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account For Berjaya Group Berhad	31,562,500	1.78
18 <b>Juara Sejati Sdn Bhd</b>	26,456,600	1.49
19 <b>Ifast Nominees (Tempatan) Sdn Bhd</b> Global Success Network Sdn Bhd	23,623,500	1.33
20 <b>Lim Boon Liat</b>	23,230,000	1.31
21 <b>DYMM Sultan Ibrahim Johor</b>	22,725,000	1.28
22 <b>CGS International Nominees Malaysia (Tempatan) Sdn Bhd</b> Pledged Securities Account For Juara Sejati Sdn Bhd (MY4143)	21,866,500	1.23
23 <b>Inter-Pacific Securities Sdn Bhd</b> IVT (9C55)	21,210,000	1.20
24 <b>RHB Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account For Juara Sejati Sdn Bhd	20,984,900	1.18
25 <b>Lim Leng Bung</b>	20,000,000	1.13
26 <b>MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account For Teras Mewah Sdn Bhd (MGN - TMS0004M)	19,995,000	1.13
27 <b>Amsec Nominees (Tempatan) Sdn Bhd</b> Pledged Securities Account - Ambank (M) Berhad For Berjaya Group Berhad (BX1280)	19,089,000	1.08
28 <b>Convenience Shopping (Sabah) Sdn Bhd</b>	15,150,000	0.86
29 <b>CGS International Nominees Malaysia (Tempatan) Sdn Bhd</b> Pledged Securities Account For Berjaya Group Berhad (M4143B)	14,897,000	0.84
30 <b>Amanahraya Trustees Berhad</b> Public Strategic Smallcap Fund	14,410,000	0.81
	<b>1,428,501,859</b>	<b>80.62</b>

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Fifteenth Annual General Meeting ("15th AGM") of Berjaya Food Berhad will be conducted on a virtual basis through live streaming from the broadcast venue at Manhattan V, Level 14, Berjaya Times Square Hotel Kuala Lumpur, No. 1, Jalan Imbi, 55100 Kuala Lumpur ("Broadcast Venue") on Wednesday, 11 December 2024 at 10.00 a.m. for the following purposes:-

**AGENDA**

As Ordinary Business

1. To receive the audited financial statements for the financial year ended 30 June 2024 and the Directors' and Auditors' Reports thereon.

(Please refer to the Explanatory Note 1)
2. To approve the payment of Directors' fees amounting to RM240,000.00 to the Non-Executive Directors of the Company for the financial year ended 30 June 2024.

Resolution 1
3. To approve the payment of Directors' Benefits (excluding Directors' fees) to the Non-Executive Directors of the Company up to an amount of RM600,000.00 for the period from 12 December 2024 until the next Annual General Meeting of the Company to be held in 2025.

Resolution 2
4. To re-elect the following Directors who retire pursuant to Clause 117 of the Company's Constitution:-  
(a) Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah  
(b) Chryseis Tan Sheik Ling

Resolution 3  
Resolution 4
5. To re-appoint Messrs Ernst & Young PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

Resolution 5

As Special Business

6. To consider and, if thought fit, pass the following Ordinary Resolutions:-
- (i) **Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016**

"THAT subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company from time to time at such price 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 total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

## Notice of Annual General Meeting

AND THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 60 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the Company to be offered new shares ranking pari passu in all respects with the existing ordinary shares arising from the issuance and allotment of the shares pursuant to Sections 75 and 76 of the Companies Act 2016."

### 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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad, 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 specified in Section 2.3 of Part A of the Circular to Shareholders dated 28 October 2024 ("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 approval 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 such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in 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

#### (iii) Proposed Renewal of Authority for the Company to Purchase its Own Shares

"THAT subject always to the Companies Act 2016 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Exchange") and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company ("BFood Shares") through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be



## Notice of Annual General Meeting

imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;
2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;
3. the authority shall commence immediately upon passing of this ordinary resolution until:-
  - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
  - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
  - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND THAT upon completion of the purchase(s) of the BFood Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any BFood Shares so purchased by the Company in the following manner:-

- (a) cancel all the BFood Shares so purchased; or
- (b) retain all the BFood Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or
- (c) retain part thereof as treasury shares and subsequently cancelling the balance; or
- (d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force."

### Resolution 8

7. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

By Order of the Board

**THAM LAI HENG MICHELLE**

(MAICSA 7013702)

(SSM Practising Certificate No. 202008001622)

Secretary

Kuala Lumpur  
28 October 2024

## Notice of Annual General Meeting

### NOTES:

#### 1. Audited Financial Statements

The Audited Financial Statements are meant for discussion only as it does not require shareholders' approval pursuant to the provisions of Section 340(1)(a) of the Companies Act 2016. Hence, this item on the Agenda is not put forward for voting.

#### 2. Directors' Fees

The quantum of the Directors' fees for each of the Non-Executive Directors for the financial year ended 30 June 2024 is the same as the previous financial year ended 30 June 2023.

#### 3. Directors' Benefits (excluding Directors' Fees)

Section 230(1) of the Companies Act 2016 provides that the "fees" of the Directors and "any benefits" payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, shareholders' approval shall be sought at this Annual General Meeting ("AGM") for the payment of Directors' Benefits (excluding Directors' fees) payable to the Non-Executive Directors of the Company.

Resolution 2 is to seek shareholders' approval at the 15th AGM for the payment of Directors' Benefits (excluding Directors' fees) payable to the Non-Executive Directors of the Company for the period from 12 December 2024 until the next AGM of the Company to be held in 2025.

The current Directors' Benefits (excluding Directors' fees) payable to the Non-Executive Directors of the Company comprises of chairman allowances, other emoluments and meeting allowances.

In determining the estimated amount of benefits payable to the Non-Executive Directors, the Board considered various factors including the number of scheduled meetings for the Board of Directors ("Board"), Board Committees and general meetings of the Company as well as the number of Non-Executive Directors involved in these meetings.

In the event where the payment of Directors' Benefits (excluding Directors' fees) payable during the above period exceeded the estimated amount sought at the 15th AGM, a shareholders' approval will be sought at the next AGM for the shortfall.

#### 4. Re-election of Directors

Pursuant to Clause 117 of the Company's Constitution, one third (1/3) of the Directors shall retire from office at least once in every three (3) years at each AGM of the Company and the retiring Directors can offer themselves for re-election.

Resolution 3 to Resolution 4 are to seek shareholders' approval at the 15th AGM for the re-election of Directors who retire by rotation pursuant to Clause 117 of the Company's Constitution.

Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah and Chryseis Tan Sheik Ling ("Retiring Directors") have completed their respective declaration on the fitness and propriety, contribution and performance and calibre and personality in accordance with the Directors' Fit and Proper Policy of the Company as well as the confirmation of their independence (as the case may be).

The Board through the Nomination Committee ("NC") had undertaken an annual assessment evaluation and fit and proper assessment on the Retiring Directors who are seeking for re-election as Directors of the Company pursuant to Clause 117 of the Company's Constitution.

Based on the results of the assessment conducted, the NC was satisfied with the favourable evaluation of the overall performance and contributions of the Retiring Directors and the Retiring Directors have fulfilled the fit and proper criteria in accordance to the Directors' Fit and Proper Policy of the Company. Accordingly, NC recommended to the Board for re-election of the Retiring Directors. The Board has deliberated and endorsed the NC's recommendation and supports the re-election of Retiring Directors and recommended the re-election

## Notice of Annual General Meeting

of Retiring Directors for approval by the shareholders at the forthcoming 15th AGM. The Retiring Directors had abstained from deliberations and decisions on their re-election at the Board Meeting.

The profiles of the Retiring Directors are set out in the Profile of Directors in the Company's 2024 Annual Report.

### 5. Re-appointment of Auditors

Resolution 5 is to seek shareholders' approval at the 15th AGM for the re-appointment of Messrs Ernst & Young PLT ("EY") as Auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration.

The Audit and Risk Management Committee ("ARMC") has considered and recommended to the Board on the re-appointment of EY as Auditors of the Company based on the results of the External Auditors Evaluation for the financial year ended 30 June 2024 wherein EY has satisfactorily performed their audit and discharged their professional responsibilities in accordance with its rules on professional conduct and ethics and the By-Laws (on Professional Ethics, Conducts and Practice) issued by the Malaysian Institute of Accountants.

The Board has deliberated on the ARMC's recommendation and recommended the re-appointment of EY as Auditors of the Company for shareholders' approval at the forthcoming 15th AGM.

### 6. Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

Resolution 6 is proposed for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot new shares in the Company from time to time at such price provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares 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 AGM of the Company.

Resolution 6, if passed, will exclude shareholder's pre-emptive right to be offered such new shares and/or convertible securities to be issued by the Company pursuant to the resolution.

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 14th AGM held on 13 December 2023 and which will lapse at the conclusion of the 15th AGM.

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 current and/or future investment project(s), working capital and/or acquisitions or issuance of shares for such other application(s) as the Directors may deem fit and in the best interest of the Company.

### 7. Proposed Renewal of and new Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

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 under Part A of the Circular to Shareholders dated 28 October 2024 which can be viewed and downloaded from the website of the Company at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/) and/or Bursa Malaysia Securities Berhad at [www.bursamalaysia.com](http://www.bursamalaysia.com).

### 8. Proposed Renewal of Authority for the Company to Purchase its Own Shares

Resolution 8, if passed, will provide the mandate for the Company to buy back its own shares up to a limit of 10% of the total number of issued shares of the Company ("Proposed Share Buy-Back Renewal"). Detailed information on the Proposed Share Buy-Back Renewal is set out under Part B of the Circular/Statement to Shareholders dated 28 October 2024 which can be viewed and downloaded from the website of the Company at [www.berjaya.com/berjaya-food/](http://www.berjaya.com/berjaya-food/) and/or Bursa Malaysia Securities Berhad at [www.bursamalaysia.com](http://www.bursamalaysia.com).

## Notice of Annual General Meeting

### 9. Proxy and Entitlement of Attendance

- (i) The AGM of the Company will be conducted on a virtual basis through live streaming and online remote voting via the Remote Participation and Voting ("RPV") facilities provided by the poll administrator, SS E Solutions Sdn Bhd, which are available on Securities Services e-Portal at <https://sshbsb.net.my/>. **Please follow the procedures provided in the Administrative Guide for the AGM in order to register, participate and vote remotely via RPV facilities.**
- (ii) The main and only venue of the AGM is the Broadcast Venue which is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the AGM to be present at the main venue of the AGM in Malaysia.
- (iii) Shareholders/proxies/corporate representatives from the public **WILL NOT BE ALLOWED TO BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the AGM.
- (iv) A member of the Company who is entitled to attend, participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the AGM via the RPV facilities is entitled to appoint a proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
- (v) A member, other than an authorised nominee or an exempt authorised nominee, may appoint only one (1) proxy.
- (vi) An authorised nominee, as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), may appoint one (1) proxy in respect of each securities account.
- (vii) An exempt authorised nominee, as defined under the SICDA, and holding ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), may appoint multiple proxies in respect of each of its Omnibus Account.
- (viii) An individual member who appoints a proxy must sign the Form of Proxy personally or by his attorney duly authorised in writing. A corporate member who appoints a proxy must execute the Form of Proxy under seal or under the hand of its officer or attorney duly authorised.
- (ix) The Form of Proxy shall be executed and deposited at the Company's Registered Office at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur OR alternatively, the Form of Proxy may be submitted electronically via Securities Services e-Portal at <https://sshbsb.net.my/> not less than forty-eight (48) hours before the time appointed for holding the meeting, **i.e. latest by Monday, 9 December 2024 at 10.00 a.m.**
- (x) Only members whose names appear in the Record of Depositors as at 4 December 2024 shall be entitled to participate and/or vote at the AGM or appoint a proxy to participate and/or vote in his/her stead via RPV facilities.

### 10. Poll Voting

Pursuant to Clause 82 of the Constitution of the Company and Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by way of poll. The Company has appointed Poll Administrator and Independent Scrutineers to conduct the polling process and verify the results of the poll respectively.

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# FORM OF PROXY



**BERJAYA**

**BERJAYA FOOD BERHAD**

[Registration No. 200901032946 (876057-U)]  
(Incorporated in Malaysia)

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, the CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf, at the Fifteenth Annual General Meeting of the Company to be conducted on a virtual basis through live streaming from the broadcast venue held at Manhattan V, Level 14, Berjaya Times Square Hotel Kuala Lumpur, No. 1, Jalan Imbi, 55100 Kuala Lumpur ("Broadcast Venue") on Wednesday, 11 December 2024 at 10.00 a.m. and at 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 approve payment of Directors' fees.		
RESOLUTION 2	To approve payment of Directors' Benefits (excluding Directors' Fees) for the period from 12 December 2024 until the next Annual General Meeting of the Company in 2025.		
RESOLUTION 3	To re-elect Duli Yang Amat Mulia Tunku Shazuddin Ariff Ibni Al Aminul Karim Sultan Sallehuddin, Tunku Mahkota Kedah as Director.		
RESOLUTION 4	To re-elect Chryseis Tan Sheik Ling as Director.		
RESOLUTION 5	To re-appoint Messrs Ernst & Young PLT as Auditors.		
RESOLUTION 6	To approve authority to issue and allot shares.		
RESOLUTION 7	To renew shareholders' mandate for Recurrent Related Party Transactions.		
RESOLUTION 8	To renew authority for the Company to purchase its own shares.		

\_\_\_\_\_  
Signature(s)/Common Seal of Member(s)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

NO. OF SHARES HELD

## Notes:

- The Annual General Meeting ("AGM") of the Company will be conducted on a virtual basis through live streaming and online remote voting via the Remote Participation and Voting ("RPV") facilities provided by the poll administrator, SS E Solutions Sdn Bhd, which are available on Securities Services e-Portal at <https://sshshb.net.my/>. **Please follow the procedures provided in the Administrative Guide for the AGM in order to register, participate and vote remotely via RPV facilities.**
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- Pursuant to Clause 82 of the Constitution of the Company and Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the Resolutions set out in this Notice will be put to vote by way of poll. The Company has appointed Poll Administrator and Independent Scrutineers to conduct the polling process and verify the results of the poll respectively.



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

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# Group Addresses

## **BERJAYA FOOD BERHAD**

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

## **BERJAYA ROASTERS (M) SDN BHD**

Lot 10-04, Level 10 (West Wing)  
Berjaya Times Square  
No. 1, Jalan Imbi  
55100 Kuala Lumpur  
Tel: 03-2052 5888

## **BERJAYA STARBUCKS COFFEE COMPANY SDN BHD**

Lot 10-04, Level 10 (West Wing)  
Berjaya Times Square  
No. 1, Jalan Imbi  
55100 Kuala Lumpur  
Tel: 03-2052 5888

## **BERJAYA FOOD (INTERNATIONAL) SDN BHD**

Lot 10-04, Level 10 (West Wing)  
Berjaya Times Square  
No. 1, Jalan Imbi  
55100 Kuala Lumpur  
Tel: 03-2052 5888

## **BERJAYA COFFEE NORDIC APS**

Plesner Advokatpartnerselskab Amerika Plads 37  
Tel: 03-2052 5888

## **BESTARI FOOD TRADING SDN BHD** (FORMERLY KNOWN AS BERJAYA FOOD TRADING SDN BHD)

Lot 10-04, Level 10 (West Wing)  
Berjaya Times Square  
No. 1, Jalan Imbi  
55100 Kuala Lumpur  
Tel: 03-2052 5888

## **BERJAYA JOLLIBEAN (M) SDN BHD**

Lot 10-04, Level 10 (West Wing)  
Berjaya Times Square  
No. 1, Jalan Imbi  
55100 Kuala Lumpur  
Tel: 03-2052 5888

## **BERJAYA FOOD SUPREME SDN BHD**

Unit 202, 2<sup>nd</sup> Floor, Mabohai Shopping Complex  
Jalan Kebangsaan (Mabohai)  
Bandar Seri Begawan BA1111  
Brunei Darussalam  
Tel: 03-2052 5888

## **BERJAYA NORDIC (DENMARK) APS**

Plesner Advokatpartnerselskab Amerika Plads 37  
Tel: 03-2052 5888

## **BERJAYA COFFEE ICELAND EHF**

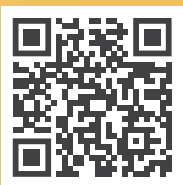
Nauthólsvegur 52, 102 Reykjavik, Iceland  
Tel: 03-2052 5888

## **BERJAYA PARIS BAGUETTE PHILIPPINES INC**

19<sup>th</sup> floor B.A. Lepanto Building Paseo De Roxas,  
Makati City 1209  
Tel: 03-2052 5888

## **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**

[Registration No. 200901032946 (876057-U)]

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

**[www.berjaya.com](http://www.berjaya.com)**