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The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2004.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and provision of management services. The principal activities of its subsidiaries and associates are described in Note 13 and Note 14 to the financial statements respectively.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Operating profit	123,451	123,939
Share of results of associates	17,507	–
Profit before taxation	140,958	123,939
Taxation	(8,734)	(18,400)
Net profit for the year	132,224	105,539
Accumulated losses brought forward	(71)	(71)
Retained profits carried forward	132,153	105,468

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

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 the effect of the reorganisation scheme as disclosed in Note 28 to the financial statements.

DIVIDEND

Since the end of the previous financial year, no dividend was paid by the Company.

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 31 December 2004, of 4 sen less 28% taxation per share on 196,698,439 ordinary shares, amounting to a total dividend payable of RM5,664,915 (2.88 sen net per share) will be proposed for shareholders' approval.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholder's equity as an appropriation of retained profits in the financial year ending 31 December 2005.

DIRECTORS

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

YBhg Datuk Haji Izhar bin Sulaiman	(Group Executive Chairman)
YBhg Dato' Johari bin Abdul Ghani	(Group Managing Director)
YB Dato' Hilmi bin Haji Abdul Rashid	
YBhg Dato' Haji Karim bin Marzuki	
YBhg Dato' Dr Ridzuan bin Akil	

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 period, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in Note 7 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 27 to the financial statements.

DIRECTORS' INTERESTS

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

	Number of Ordinary Shares of RM1.00 Each			31 December 2004
	1 January 2004	Bought	Sold	
The Company				
Direct Interest				
YBhg Datuk Haji Izhar bin Sulaiman	1	4,598,499	–	4,598,500
YBhg Dato' Johari bin Abdul Ghani	1	5,793,309	–	5,793,310
Indirect Interest				
YBhg Datuk Haji Izhar bin Sulaiman	–	24,376,636	–	24,376,636
YBhg Dato' Johari bin Abdul Ghani	–	10,909,535	–	10,909,535
The associate, KFC Holdings (Malaysia) Bhd				
Direct Interest				
YBhg Datuk Haji Izhar bin Sulaiman	10,000,000	122,500	10,000,000	122,500
YBhg Dato' Johari bin Abdul Ghani	10,000,000	–	–	10,000,000
		Number of Warrants		
	1 January 2004	Bought	Sold	31 December 2004
The Company				
Direct Interest				
YBhg Datuk Haji Izhar bin Sulaiman	–	1,785,000	–	1,785,000
YBhg Dato' Johari bin Abdul Ghani	–	3,375,000	–	3,375,000
Indirect Interest				
YBhg Datuk Haji Izhar bin Sulaiman	–	634,293	–	634,293

YBhg Datuk Haji Izhar bin Sulaiman and YBhg Dato' Johari bin Abdul Ghani by virtue of their interests in the shares of the Company are also deemed interested in the shares of all the Company's subsidiaries to the extent the Company has an interest.

None of the other Directors in office at the end of the financial year had any interest in the shares in the Company or its related corporations during the financial year.

ISSUE OF SHARES

During the financial year, the Company increased its issued and paid-up share capital from RM2 to RM196,698,439 by way of:

- the issuance of 196,069,503 new ordinary shares of RM1.00 each in the Company together with 49,730,497 new warrants through the Share and Warrant Swap, which forms part of the Reorganisation Scheme; and
- the issuance of 628,934 new ordinary shares of RM1.00 each upon the conversion of 628,934 warrants at the exercise price of RM1.13 each.

The new ordinary shares issued during the year rank pari passu in all respects with existing ordinary shares of the Company.

WARRANTS

The main features of the warrants are disclosed in Note 23 to the financial statements.

EMPLOYEE SHARE OPTION SCHEME ("ESOS")

The ESOS had been approved by the Securities Commission and became effective on 8 July 2004. At the date of this report, the Scheme is in the process of being implemented.

OTHER STATUTORY INFORMATION

- (a) Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) 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:
- (i) the amount written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; 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.

SIGNIFICANT EVENTS

Significant events are disclosed in Note 28 to the financial statements.

AUDITORS

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

Signed on behalf of the Board in accordance with a resolution of the Directors

Datuk Haji Izhar bin Sulaiman
Group Executive Chairman

Kuala Lumpur, Malaysia
15 March 2005

Dato' Johari bin Abdul Ghani
Group Managing Director

Pursuant to Section 169(15) of The Companies Act 1965

We, Datuk Haji Izhar bin Sulaiman and Dato' Johari bin Abdul Ghani, being two of the Directors of QSR Brands Bhd, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 63 to 88 are drawn up in accordance with applicable MASB Approved Accounting Standards in Malaysia and the provisions of the Companies Act 1965 so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2004 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors

Datuk Haji Izhar bin Sulaiman
Group Executive Chairman

Kuala Lumpur, Malaysia
15 March 2005

Dato' Johari bin Abdul Ghani
Group Managing Director

Statutory Declaration

Pursuant to Section 169(16) of The Companies Act 1965

I, Dato' Johari bin Abdul Ghani, being the Director primarily responsible for the financial management of QSR Brands Bhd, do solemnly and sincerely declare that the accompanying financial statements set out on pages 63 to 88 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by
the abovenamed Dato' Johari bin Abdul Ghani
at Kuala Lumpur in the Federal Territory on 15 March 2005.

Dato' Johari bin Abdul Ghani
Group Managing Director

Before me

Maisharah binti Abu Hasan (W181)
Commissioner for Oaths

To the members of QSR Brands Bhd

We have audited the accompanying financial statements set out on pages 63 to 88, These financial statements are the responsibility of the Company's Directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act 1965 and applicable MASB Approved Accounting Standards in Malaysia so as to give a true and fair view of:
 - (i) the financial position of the Group and of the Company as at 31 December 2004 and of the results and the cash flows of the Group and of the Company for the year then ended; and
 - (ii) the matters required by Section 169 of the Companies Act 1965 to be dealt with in the financial statements.
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and auditors' reports thereon of the subsidiaries of which we have not acted as auditors, as indicated in Note 13 to the financial statements, being financial statements that have been included in the consolidated financial statements.

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

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

Ernst & Young
AF: 0039
Chartered Accountants

Mohd Sukarno bin Tun Sardon
No. 1697/03/07 (J)
Partner

Kuala Lumpur, Malaysia
15 March 2005

Income Statements

for the year ended
31 December 2004

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		Group 1.4.2004 to 31.12.2004 RM'000	Company 1.1.2004 to 31.12.2004 RM'000	Company 20.11.2002 to 31.12.2003 RM'000
	Note			
Revenue	3	262,796	1,400	–
Cost of sales	4	(78,949)	–	–
Gross profit		183,847	1,400	–
Other operating income		11,491	69,905	–
Gain on disposal of investment		113,930	63,930	–
Distribution costs		(131,337)	–	–
Administrative expenses		(43,288)	(2,055)	(71)
Other operating expenses		(5,467)	(5,000)	–
Profit/(loss) from operations	5	129,176	128,180	(71)
Finance costs	8	(5,725)	(4,241)	–
Share of results of associates		17,507	–	–
Profit/(loss) before taxation		140,958	123,939	(71)
Taxation	9	(8,734)	(18,400)	–
Company and subsidiaries		(5,128)	(18,400)	–
Associates		(3,606)	–	–
Net profit/(loss) for the year/period		132,224	105,539	(71)
Earnings per share (sen)				
Basic	10	87.49		
Diluted	10	76.82		
Net dividend per share in respect of the year/period (sen)	11	2.88	2.88	–

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

Balance Sheets

as at 31 December 2004

	Note	Group 2004 RM'000	Company 2004 RM'000	2003 RM'000
NON-CURRENT ASSETS				
Property, plant and equipment	12	83,738	–	–
Investments in subsidiaries	13	–	115,346	–
Investments in associates	14	325,092	27,057	–
Intangible assets	15	56,718	–	–
		465,548	142,403	–
CURRENT ASSETS				
Inventories	16	12,895	–	–
Trade receivables	17	1,217	–	–
Other receivables	18	16,508	262,033	–
Cash and bank balances	19	29,801	1,744	5
		60,421	263,777	5
CURRENT LIABILITIES				
Trade payables	20	13,079	–	–
Other payables	21	39,898	453	76
Bank borrowings	22	109,108	103,479	–
		162,085	103,932	76
NET CURRENT (LIABILITIES)/ASSETS		(101,664)	159,845	(71)
		363,884	302,248	(71)
FINANCED BY:				
Share capital	23	196,698	196,698	*
Reserves	24	131,838	105,550	(71)
Shareholders' equity		328,536	302,248	(71)
Long term borrowings	22	30,022	–	–
Deferred taxation	25	5,326	–	–
Non-current liabilities		35,348	–	–
		363,884	302,248	(71)

* Denotes RM2

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

Statements of Changes in Equity

for the year ended
31 December 2004

Group	Share capital RM'000	Non-distributable		Distributable	Total RM'000
		Share premium (Note 24) RM'000	Exchange fluctuation reserve (Note 24) RM'000	Retained profits/ (Accumulated losses) (Note 24) RM'000	
At 1 January 2004	*	–	–	(71)	(71)
Translation differences	–	–	(397)	–	(397)
Net profit for the year	–	–	–	132,224	132,224
Issuance of share capital					
– share and warrant swap	196,070	–	–	–	196,070
– conversion of warrants	628	82	–	–	710
At 31 December 2004	196,698	82	(397)	132,153	328,536
Company					
At date of incorporation	*	–	–	*	*
Net loss for the period	–	–	–	(71)	(71)
At 31 December 2003	*	–	–	(71)	(71)
At 1 January 2004	*	–	–	(71)	(71)
Net profit for the year	–	–	–	105,539	105,539
Issuance of share capital					
– share and warrant swap	196,070	–	–	–	196,070
– conversion of warrants	628	82	–	–	710
At 31 December 2004	196,698	82	–	105,468	302,248

* Denotes RM2

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

Cash Flow Statements

for the year ended
31 December 2004

	Group 1.4.2004 to 31.12.2004 RM'000	Company 1.1.2004 to 31.12.2004 RM'000	20.11.2002 to 31.12.2003 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before taxation	140,958	123,939	(71)
Adjustments for:			
Amortisation of franchise fees	394	-	-
Depreciation (Note 12)	12,620	-	-
Interest expense	5,725	4,241	-
Loss on disposal of property, plant and equipment	467	-	-
Dividend income from			
- associate	-	(404)	-
- investment	-	(69,444)	-
Interest income	(568)	(57)	-
Gain on disposal of investment	(113,930)	(63,930)	-
Share of results of associates	(17,507)	-	-
Operating profit before working capital changes	28,159	(5,655)	(71)
Inventories	(5,434)	-	-
Receivables	(4,301)	(2,262)	-
Subsidiaries	-	(258,614)	-
Payables	(249,411)	377	76
Cash (used in)/generated from operations	(230,987)	(266,154)	5
Interest paid	(5,725)	(4,241)	-
Taxation paid	(4,100)	(19,557)	-
Net cash (used in)/generated from operating activities	(240,812)	(289,952)	5
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(22,930)	-	-
Purchase of additional shares in associate	(27,057)	(27,057)	-
Proceeds from disposal of property, plant and equipment	4,784	-	-
Franchise fees	(1,489)	-	-
Purchase of subsidiaries (Note 13)	(99,005)	(115,346)	-
Proceeds from disposal of investment	260,000	260,000	-
Interest received	568	57	-
Exchange translation adjustments	(397)	-	-
Dividend received from			
- associate	6,866	404	-
- investment	50,000	69,444	-
Net cash generated from investing activities	171,340	187,502	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of shares	710	710	-
Drawdown of bank borrowings	103,479	103,479	-
Payment of term loan	(4,921)	-	-
Net cash generated from financing activities	99,268	104,189	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	29,796	1,739	5
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR/ DATE OF INCORPORATION	5	5	*
CASH AND CASH EQUIVALENTS AT END OF YEAR (NOTE 19)	29,801	1,744	5

* Denotes RM2

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

1 CORPORATE INFORMATION

The principal activities of the Company are that of investment holding and provision of management services. The principal activities of its subsidiaries and associates are described in Note 13 and Note 14 to the financial statements respectively. There have been no significant changes in the nature of the principal activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and was listed on the Main Board of Bursa Malaysia Securities Berhad on 1 April 2004. The registered office of the Company is located at Level 17, Wisma KFC, No. 17 Jalan Sultan Ismail, 50250 Kuala Lumpur.

The monthly average number of persons employed by the Group and the Company during the year are as follows:

	Group 2004 Number	Company 2004 Number	2003 Number
- Management	71	2	-
- Operations	5,194	-	-
- Administration	88	-	-
	5,353	2	-

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 15 March 2005.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise disclosed in significant accounting policies and comply with the provisions of the Companies Act 1965 and applicable MASB Approved Accounting Standards in Malaysia.

(b) Basis of Consolidation

(i) Subsidiaries

The consolidated financial statements include the financial statements of the Company and all its subsidiaries. Subsidiaries are those companies in which the Group has a long term equity interest and where it has power to exercise control over the financial and operating policies so as to obtain benefits therefrom.

Subsidiaries are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. The assets and liabilities of a subsidiary are measured at their fair values at the date of acquisition. The difference between the cost of an acquisition and the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition is included in the consolidated balance sheet as goodwill or negative goodwill arising on consolidation.

Intragroup transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortised balance of goodwill and exchange differences.

Minority interests in the consolidated balance sheet consist of the minorities' share of the fair value of the identifiable assets and liabilities of the acquiree as at acquisition date and the minorities' share of movements in the acquiree's equity since then.

2 SIGNIFICANT ACCOUNTING POLICIES (contd.)

(b) Basis of Consolidation (contd.)

(ii) Associates

Associates are those companies in which the Group exercises significant influence but not control, through participation in the financial and operating policy decisions of the companies.

Investments in associates are accounted for in the consolidated financial statements by the equity method of accounting based on the audited or management financial statements of the associates. Under the equity method of accounting, the Group's share of profits less losses of associates during the year is included in the consolidated income statement. The Group's interest in associate is carried in the consolidated balance sheet at cost plus the Group's share of post-acquisition retained profits or accumulated losses and other reserves.

Unrealised gains on transactions between the Group and the associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are eliminated unless cost cannot be recovered.

(c) Goodwill and Intangible Assets

Goodwill represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

Goodwill arising from consolidation is capitalised as an asset and is reviewed for impairment at the end of each financial year following the acquisition and in other periods if events or changes in circumstances indicated that the carrying value may not be recoverable.

The restaurants' initial and renewal franchise fees are stated at cost and are amortised on a straight line basis over 10 years.

(d) Investments in Subsidiaries and Associates

The Company's investments in subsidiaries and associates are stated at cost less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(l).

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in the income statement.

(e) Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at their purchase cost and any incidental costs of acquisition less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(l).

Freehold land is not amortised as it has an infinite life. Long leasehold land with unexpired lease periods of more than 50 years, is not amortised as the impact of non-amortisation is expected to be immaterial. Leasehold land with unexpired lease period of 50 years or less is amortised over the period of the lease.

Other property, plant and equipment are depreciated over their estimated useful lives on a straight line basis.

The principal annual rates used are as follows:

Buildings	2%
Leasehold improvements	10%
Motor vehicles	20%
Restaurant equipment, furniture and fittings	10%

2 SIGNIFICANT ACCOUNTING POLICIES (contd.)

(e) Property, Plant and Equipment and Depreciation (contd.)

No depreciation is provided for crockery, cutlery and utensils. The cost of replacing these assets is charged against revenue as and when incurred.

Upon disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement and the unutilised portion of the revaluation surplus on that item is taken directly to retained profits.

(f) Inventories

Inventories are stated at the lower of cost (determined on an actual basis) and net realisable value. In arriving at net realisable value, due allowance is made for all obsolete and slow moving items. Cost includes the purchase price of goods and attributable expenditure. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

(g) Cash and Cash Equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash in hand and at bank, deposits at call and short-term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

(h) Taxation

Income tax on the results for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred taxation is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary difference and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

(i) Employee Benefits

(i) Short term benefits

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

Notes to The Financial Statements

31 December 2004 (contd.)

2 SIGNIFICANT ACCOUNTING POLICIES (contd.)

(i) Employee Benefits (contd.)

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiaries make contributions to their respective countries' statutory pension schemes. Such contributions are recognised as an expense in the income statement as incurred.

(iii) Termination benefits

The Group pays termination benefits in cases of termination of employment within the framework of a restructuring. Termination benefits are recognised as a liability and an expense when the Group has a detailed formal plan for the termination and is without realistic possibility of withdrawal.

(j) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of the revenue can be measured reliably.

- (i) Revenue from pizza restaurants is recognised at point of sales.
- (ii) Dividend income is recognised when the right to receive payment is established.
- (iii) Other revenues are recognised on an accrual basis or when the right of receipt has been established.

Intercompany sales are excluded from the revenue of the Group.

(k) Foreign Currencies

(i) Foreign Currency Transactions

Transactions in foreign currencies are initially recorded in Ringgit Malaysia at rates of exchange ruling at the date of the transaction. At each balance sheet date, foreign currency monetary items are translated into Ringgit Malaysia at exchange rates ruling at that date. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition and non-monetary items which are carried at fair value are translated using the exchange rate that existed when the values were determined.

All exchange rate differences are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These exchange differences are taken directly to equity until the disposal of the net investment, at which time they are recognised in the income statement.

(ii) Foreign Entities

Financial statements of foreign consolidated subsidiaries are translated at year-end exchange rates with respect to the assets and liabilities, and at exchange rates at the dates of the transactions with respect to the income statement. All resulting translation differences are included in the foreign exchange reserve in shareholders' equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the Company and translated at the exchange rate ruling at the date of the transaction.

The principal exchange rates used for every unit of foreign currency are as follows:

	Year end rates		Average rates	
	2004 RM	2003 RM	2004 RM	2003 RM
Singapore (S\$)	2.3455	2.2540	2.2527	2.1813

2 SIGNIFICANT ACCOUNTING POLICIES (contd.)

(l) Impairment of Assets

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is higher of net selling price and value in use, which is measured by reference to discounted future cash flows.

An impairment loss is recognised as an expense in the income statement immediately, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of any unutilised previously recognised revaluation surplus for the same asset.

(m) Financial Instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

(i) Other Non-Current Investments

Non-current investments other than investments in subsidiaries and associates are stated at cost less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(l).

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the income statement.

(ii) Trade Receivables

Trade receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(iii) Trade Payables

Trade payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(iv) Interest-Bearing Borrowings

Interest-bearing bank loans and overdrafts are recorded at the amount of proceeds received, net of transaction costs.

Borrowing costs directly attributable to the acquisition and construction of development properties and property, plant and equipment are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. All other borrowing costs are recognised as an expense in the income statement in the period in which they are incurred.

(v) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared and approved by the shareholders.

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

The consideration paid, including any 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 the income statement on the sale, re-issuance or cancellation of treasury shares. When treasury shares are reissued by resale, the difference between the sales consideration and the carrying amount of the treasury shares is recognised in equity.

Notes to The Financial Statements

31 December 2004 (contd.)

3 REVENUE

Revenue of the Group and of the Company consists of the following:

	Group 1.4.2004 to 31.12.2004 RM'000	Company 1.1.2004 to 31.12.2004 RM'000	20.11.2002 to 31.12.2003 RM'000
Sale of goods	262,796	–	–
Management fees from subsidiary	–	1,400	–
	262,796	1,400	–

Revenue for the Group represents cash and invoiced amount for sales of goods and services rendered after allowing for sales discounts and returns and excludes intra-group transactions.

4 COST OF SALES

Cost of sales represents cost of inventories sold.

5 PROFIT/(LOSS) FROM OPERATIONS

	Group 1.4.2004 to 31.12.2004 RM'000	Company 1.1.2004 to 31.12.2004 RM'000	20.11.2002 to 31.12.2003 RM'000
Profit/(loss) from operations is stated after charging:			
Staff costs (Note 6)	62,043	1,196	–
Non-executive Directors' remuneration (Note 7)	60	60	–
Auditors' remuneration			
– statutory audits	125	25	1
– other services	294	247	–
Amortisation of franchise fees	394	–	–
Depreciation (Note 12)	12,620	–	–
Rental of land and building			
– associates	368	–	–
– others	26,898	–	–
Management fees payable to associate	4,120	–	–
Loss on disposal of property, plant and equipment	467	–	–
and crediting:			
Gross dividends			
– associate	6,866	404	–
– investment	–	69,444	–
Interest receivable			
– deposits with financial institutions	568	57	–
Gain on disposal of investment	113,930	63,930	–

Notes to The Financial Statements

31 December 2004 (contd.)

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6 STAFF COSTS

	Group 1.4.2004 to 31.12.2004 RM'000	Company 1.1.2004 to 31.12.2004 RM'000	20.11.2002 to 31.12.2003 RM'000
Wages and salaries	42,364	720	–
Social security costs	394	–	–
Defined contribution plans	6,130	156	–
Other staff related expenses	13,155	320	–
	62,043	1,196	–

Included in staff costs of the Group and of the Company are Executive Directors' remuneration amounting to RM1,399,000 and RM1,196,000 (2003: Nil) respectively as further disclosed in Note 7.

7 DIRECTORS' REMUNERATION

	Group 1.4.2004 to 31.12.2004 RM'000	Company 1.1.2004 to 31.12.2004 RM'000	20.11.2002 to 31.12.2003 RM'000
Directors of the Company			
Executive:			
Salaries and other emoluments	876	876	–
Fees	203	–	–
Bonus	320	320	–
	1,399	1,196	–
Non-Executive:			
Fees	60	60	–
Analysis excluding benefits-in-kind:			
Total Executive Directors' remuneration (Note 6)	1,399	1,196	–
Total Non-Executive Directors' remuneration (Note 5)	60	60	–
Total Directors' remuneration	1,459	1,256	–

The number of Directors of the Company whose total remuneration during the year fell within the following bands is analysed below:

	Number of Directors	
	2004	2003
Executive Directors:		
RM600,001 – RM700,000	2	–
Non-Executive Directors:		
Below RM50,000	3	–

8 FINANCE COSTS

	Group 1.4.2004 to 31.12.2004 RM'000	Company 1.1.2004 to 31.12.2004 RM'000	20.11.2002 to 31.12.2003 RM'000
Interest payable			
– Term loans and others	5,725	4,241	–

Notes to The Financial Statements

31 December 2004 (contd.)

9 TAXATION

	Group 1.4.2004 to 31.12.2004 RM'000	Company 1.1.2004 to 31.12.2004 RM'000	20.11.2002 to 31.12.2003 RM'000
Income Tax:			
- Malaysian income tax	4,115	18,400	-
Overprovided in prior years:			
- Malaysian income tax	(331)	-	-
- Foreign tax	(73)	-	-
	3,711	18,400	-
Deferred tax (Note 25):			
Relating to origination and reversal of temporary differences	1,417	-	-
Share of taxation of:			
Associates	3,606	-	-
	8,734	18,400	-

The effective tax rate for the Group is higher than the statutory rate principally due to certain income not subjected to tax and certain expenses not deductible for tax purposes.

Domestic income tax is calculated at the Malaysian statutory tax rate of 28% (2003: 28%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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

	Group 1.4.2004 to 31.12.2004 RM'000	Company 1.1.2004 to 31.12.2004 RM'000	20.11.2002 to 31.12.2003 RM'000
Group			
Profit before taxation	140,958	123,939	-
Taxation at Malaysian statutory tax rate of 28% (2003: 28%)	39,468	34,703	-
Effect on different tax rates in other country	41	-	-
Expenses not deductible for tax purposes	2,345	1,598	-
Income not subject to tax	(31,865)	(17,901)	-
Overprovided of deferred tax in prior year	(851)	-	-
Overprovided in prior year	(404)	-	-
Tax expense for the year	8,734	18,400	-

Notes to The Financial Statements

31 December 2004 (contd.)

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10 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares in issue during the financial year.

	Group 2004
Net profit for the year (RM'000)	132,224
Weighted average number of ordinary shares in issue ('000)	151,128
Basic earnings per share (sen)	87.49

(b) Diluted

Fully diluted earnings per share for the year is calculated using an enlarged weighted average number of shares after the inclusion of the number of unexercised outstanding warrants as at 31 December 2004 of 49,101,563.

	Group 2004
Net profit for the year (RM'000)	132,224
Weighted average number of ordinary shares in issue ('000)	151,128
Adjustment for assumed exercised of warrants ('000)	21,003
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	172,131
Diluted earnings per share (sen)	76.82

(c) Employee Share Option Scheme ("ESOS")

The ESOS had been approved by the Securities Commission and became effective on 8 July 2004. At the date of this report, the Scheme is in the process of being implemented.

11 DIVIDEND

	Amount		Group/Company	
	2004 RM'000	2003 RM'000	Net dividend per Share 2004 Sen	2003 Sen
Proposed first and final dividend of 4 sen less 28% taxation on 196,698,439 ordinary shares	5,665	–	2.88	–

At the forthcoming Annual General Meeting, a first and final dividend in respect of the financial year ended 31 December 2004, of 4 sen less 28% taxation per share on 196,698,439 ordinary shares, amounting to a total dividend payable of RM5,664,915 (2.88 sen net per share) will be proposed for shareholders' approval.

The financial statements for current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholder's equity as an appropriation of retained profits in the financial year ending 31 December 2005.

Notes to The Financial Statements

31 December 2004 (contd.)

12 PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Long leasehold land RM'000	Buildings RM'000	Leasehold improvements and renovation RM'000	Motor vehicles RM'000	Restaurant and office equipment RM'000	Total RM'000
Cost							
At 1 January 2004	-	-	-	-	-	-	-
Acquisition of subsidiaries	408	597	8,151	52,619	4,072	79,252	145,099
Additions	-	-	-	8,667	356	13,907	22,930
Disposals	-	-	(4,733)	(4,032)	(178)	(3,258)	(12,201)
At 31 December 2004	408	597	3,418	57,254	4,250	89,901	155,828
Accumulated Depreciation							
At 1 January 2004	-	-	-	-	-	-	-
Acquisition of subsidiaries	-	-	479	28,854	2,697	34,390	66,420
Charge for the year	-	-	3	6,303	372	5,942	12,620
Disposals	-	-	(187)	(3,445)	(173)	(3,145)	(6,950)
At 31 December 2004	-	-	295	31,712	2,896	37,187	72,090
Net Book Value							
At 31 December 2004	408	597	3,123	25,542	1,354	52,714	83,738

13 INVESTMENTS IN SUBSIDIARIES

	Company	
	2004 RM'000	2003 RM'000
Unquoted shares at cost	115,346	-

Details of the subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Percentage of effective equity held		Activity
		2004 %	2003 %	
C.I. Enterprise Sdn Bhd	Malaysia	100	-	(b)
Pizza Hut Holdings (Malaysia) Sdn Bhd	Malaysia	100	-	(b)
Pizza Hut Restaurants Sdn Bhd @	Malaysia	100	-	(a)
PH Property Holdings Sdn Bhd @	Malaysia	100	-	(b)
Multibrand QSR Holdings Pte Ltd * @	Singapore	100	-	(b)
Pizza Hut Singapore Pte Ltd * @	Singapore	100	-	(a)
PH Properties Sdn Bhd @	Malaysia	100	-	Dormant

* Audited by affiliate of Ernst & Young

@ These investments are held through other subsidiaries

The principal activities of the subsidiaries are in the operations of:

- (a) pizza restaurants; and
- (b) investment holding.

13 INVESTMENTS IN SUBSIDIARIES (contd.)

Acquisition of Subsidiaries

Upon the completion of the Reorganisation Scheme on 1 April 2004, the Group acquired the entire equity interest in Pizza Hut Holdings (Malaysia) Sdn Bhd for a cash consideration of RM115 million.

As part of the Reorganisation Scheme, the Group acquired the entire equity interest in C.I. Enterprise Sdn Bhd ("CIE") for a cash consideration of RM1.00 and the assumption of an amount due by CIE to C.I. Holdings Berhad, a former holding company, of RM198 million on 1 April 2004.

The acquisition had the following effect on the Group's financial results for the year:

	2004 RM'000
Revenue	262,796
Profit from operations	19,361
Net profit for the year	13,075

The acquisition had the following effect on the financial position of the Group as at the end of the year:

	2004 RM'000
Property, plant and equipment	83,738
Franchise fees	6,113
Inventories	12,895
Investments in associates	298,035
Trade receivables	1,217
Other receivables	13,199
Fixed deposits	21,500
Cash and bank balances	6,557
Trade payables	(13,913)
Amount due to associate	(11,906)
Amount due to holding company	(258,614)
Other payables	(26,705)
Bank borrowings	(35,651)
Deferred tax liabilities	(5,326)
Taxation	(110)
Group's share of net assets	91,029

Notes to The Financial Statements

31 December 2004 (contd.)

13 INVESTMENTS IN SUBSIDIARIES (contd.)

Acquisition of Subsidiaries (contd.)

The fair values of the assets acquired and liabilities assumed from the acquisition of the subsidiaries were as follows:

	1 April 2004 RM'000
Property, plant and equipment	78,679
Franchise fees	5,018
Goodwill on consolidation	28,013
Investments in associates	291,000
Inventories	7,461
Trade receivables	1,468
Other receivables	10,909
Tax recoverable	658
Fixed deposits	9,500
Cash and bank balances	6,841
Trade payables	(12,656)
Other payables	(19,628)
Amount due to related companies	(270,028)
Term loan	(40,572)
Deferred tax liabilities	(3,909)
Group's share of net assets	92,754
Goodwill on consolidation	22,592
Cost of acquisition (include incidental expenses of RM346,000)	115,346
Purchase consideration satisfied by:	
Cash	115,346
Total cost of acquisition	115,346
Cash outflow arising on acquisition:	
Purchase consideration satisfied by cash	115,346
Cash and cash equivalents of subsidiaries acquired	(16,341)
Net cash outflow of the Group	99,005

There were no acquisitions in the financial year ended 31 December 2003.

14 INVESTMENTS IN ASSOCIATES

	Group 2004 RM'000	Company 2004 RM'000	2003 RM'000
Quoted shares at cost - Malaysia	318,057	27,057	-
Share of post-acquisition reserves	7,035	-	-
	325,092	27,057	-
Market value of quoted shares	231,569	27,223	-
The Group's investments in associates comprise:			
Share of net assets	152,702	-	-
Share of goodwill in associates	172,390	-	-
	325,092	-	-

Notes to The Financial Statements

31 December 2004 (contd.)

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14 INVESTMENTS IN ASSOCIATES (contd.)

Details of the associates are as follows:

Name of Associates	Country of Incorporation	Percentage of effective equity held		Activity
		2004 %	2003 %	
KFC Holdings (Malaysia) Bhd [^]	Malaysia	32.6	–	(n)
KFC Restaurants Holdings Sdn Bhd	Malaysia	32.6	–	(n)
KFC (Peninsular Malaysia) Sdn Bhd	Malaysia	32.6	–	(a), (j) & (n)
Kentucky Fried Chicken (Malaysia) Sendirian Berhad	Malaysia	32.6	–	(a)
Asbury's (Malaysia) Sdn Bhd	Malaysia	32.6	–	(a)
KFC (East Malaysia) Sdn Bhd	Malaysia	32.6	–	(n)
KFC (Sarawak) Sdn Bhd	Malaysia	32.6	–	(a)
Havprime Sdn Bhd	Malaysia	32.6	–	(n)
Signature Chef Foodservice & Catering Sdn Bhd	Malaysia	32.6	–	(m) & (n)
KFC Manufacturing Sdn Bhd	Malaysia	32.6	–	(i) & (k)
KFC Integrated Poultry Industry Sdn Bhd	Malaysia	32.6	–	(f), (g), (h) & (n)
Helix Investments Limited*	Hong Kong	32.6	–	(n)
Ladang Ternakan Putihekar (N.S.) Sdn Bhd	Malaysia	32.6	–	(f)
Pan-Tiara Corporation Sdn Bhd	Malaysia	32.6	–	(n)
Rangeview Sdn Bhd	Malaysia	32.6	–	(m)
Chippendales (M) Sdn Bhd	Malaysia	32.6	–	(m)
SPM Restaurants Sdn Bhd	Malaysia	32.6	–	(m)
Signature Chef Dining Services Sdn Bhd	Malaysia	32.6	–	(b)
WP Properties Holdings Sdn Bhd	Malaysia	32.6	–	(m) & (n)
Wangsa Progresi Sdn Bhd	Malaysia	32.6	–	(m)
WQSR Holdings (S) Pte Ltd*	Singapore	32.6	–	(n)
Kentucky Fried Chicken Management Pte Ltd*	Singapore	32.6	–	(a)
MH Integrated Farm Berhad	Malaysia	32.6	–	(m)
Ayamas Food Corporation Bhd	Malaysia	32.6	–	(c) & (n)
Kedai Ayamas Sdn Bhd	Malaysia	32.6	–	(d)
Rayaplex Sdn Bhd	Malaysia	32.6	–	(n)
Ayamas Food Corporation (S) Pte. Ltd.*	Singapore	32.6	–	(e)
Ayamas Marketing (M) Sdn Bhd	Malaysia	32.6	–	(n)
Rasa Ayamas Sdn Bhd	Malaysia	32.6	–	(b)
AFCB Properties Sdn Bhd	Malaysia	32.6	–	(n)
Pintas Tiara Sdn Bhd	Malaysia	32.6	–	(m)
SBC Coffee Holdings Sdn Bhd	Malaysia	32.6	–	(n)
KFC (Sabah) Sdn Bhd*	Malaysia	29.4	–	(a)
Integrated Poultry Industry Sdn Bhd	Malaysia	27.7	–	(c)
Region Food Industries Sdn Bhd	Malaysia	22.8	–	(l)
KFC (B) Sdn Bhd*	Brunei Darussalam	14.9	–	(a)

Notes to The Financial Statements

31 December 2004 (contd.)

14 INVESTMENTS IN ASSOCIATES (contd.)

Name of Associates	Country of Incorporation	Percentage of effective equity held		Activity
		2004 %	2003 %	
Rasa Sayang Holdings Limited	British Virgin Island	32.6	–	Dormant
Idmidton Resources Limited	British Virgin Island	32.6	–	Dormant
Bakers' Street Sdn Bhd	Malaysia	32.6	–	Dormant
Signature Chef Catercare Sdn Bhd	Malaysia	32.6	–	Dormant
KFC Technical Services Sdn Bhd	Malaysia	32.6	–	Dormant
Roaster's Chicken Sdn Bhd	Malaysia	32.6	–	Dormant
Kentucky Trading Sdn Bhd	Malaysia	32.6	–	Dormant
KFC Agrotech Sdn Bhd	Malaysia	32.6	–	Dormant
Signature Chef Holdings Sdn Bhd	Malaysia	32.6	–	Dormant
Sterling Distinction Sdn Bhd	Malaysia	32.6	–	Dormant
Aspirasi Bintang Sdn Bhd	Malaysia	32.6	–	Dormant
Bintang Ikhtisas Sdn Bhd	Malaysia	32.6	–	Dormant
Edgelink Sdn Bhd	Malaysia	32.6	–	Dormant
Supreme Majestic Sdn Bhd	Malaysia	32.6	–	Dormant
Restoran Sabang Sdn Bhd	Malaysia	32.6	–	Dormant
Seattle's Best Coffee Sdn Bhd	Malaysia	32.6	–	Dormant
Farm's Choice Marketing (M) Sdn Bhd	Malaysia	32.6	–	Dormant
Ayamas Franchise Sdn Bhd	Malaysia	32.6	–	Dormant
Ayamas Contract Farming Sdn Bhd	Malaysia	32.6	–	Dormant
Ayamas Farms & Hatchery Sdn Bhd	Malaysia	32.6	–	Dormant
Ayamas Feedmill Sdn Bhd	Malaysia	32.6	–	Dormant
Rasa Gourmet Sdn Bhd	Malaysia	32.6	–	Dormant
Hiei Food Industries Sdn Bhd	Malaysia	26.4	–	Dormant
Yes Gelato Sdn Bhd	Malaysia	26.1	–	Dormant

The principal activities of the associates are in the operations of:

- | | |
|---|--|
| (a) quick service restaurants; | (h) feedmill; |
| (b) restaurants; | (i) trading in consumables; |
| (c) poultry processing and further processing plants; | (j) commissary; |
| (d) convenience food store chain; | (k) bakery; |
| (e) trading of poultry products; | (l) sauce manufacturing and seasoning mix plant; |
| (f) breeder farms; | (m) property holding; and |
| (g) hatchery; | (n) investment holding. |

* Audited by affiliate of Ernst & Young

^ Listed on the Main Board of Bursa Malaysia Securities Berhad

Notes to The Financial Statements

31 December 2004 (contd.)

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15 INTANGIBLE ASSETS

Group 2004	Goodwill on Consolidation RM'000	Franchise Fees RM'000	Total RM'000
At 1 January	–	–	–
Acquisition of subsidiaries	50,605	5,018	55,623
Additions	–	1,489	1,489
Amortisation	–	(394)	(394)
At 31 December	50,605	6,113	56,718

16 INVENTORIES

	Group 2004 RM'000
At cost	
Trading stocks	12,638
Spare parts	257
	12,895

17 TRADE RECEIVABLES

The Group's normal trade credit term ranges from 30 to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

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

18 OTHER RECEIVABLES

	Group 2004 RM'000	Company 2004 RM'000	2003 RM'000
Advances to subsidiaries	–	258,614	–
Sundry receivables	2,183	1,012	–
Prepayments	3,365	1,250	–
Deposits	9,913	–	–
Tax recoverable	1,047	1,157	–
	16,508	262,033	–

The advances to subsidiaries are unsecured, interest free and have no fixed terms of repayment.

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

19 CASH AND CASH EQUIVALENTS

	Group 2004 RM'000	Company 2004 RM'000	2003 RM'000
Cash in hand and at banks	7,263	706	5
Deposits with licensed financial institution	22,538	1,038	–
Cash and cash equivalents	29,801	1,744	5

Notes to The Financial Statements

31 December 2004 (contd.)

19 CASH AND CASH EQUIVALENTS (contd.)

The weighted average interest rates during the financial year and the average maturities of deposits as at 31 December 2004 were as follows:

	Interest Rates %	Average Maturities Days
Licensed financial institution	2.75	30

20 TRADE PAYABLES

The normal trade credit term granted to the Group ranges from 30 to 60 days.

21 OTHER PAYABLES

	Group 2004 RM'000	Company 2004 RM'000	2003 RM'000
Amount due to associates	11,906	–	–
Sundry payables	13,306	–	74
Accruals	5,660	213	2
Payroll liabilities	6,004	240	–
Duties and other taxes payable	3,022	–	–
	39,898	453	76

22 BANK BORROWINGS

	Group 2004 RM'000	Company 2004 RM'000	2004 RM'000
Short Term Borrowings			
Secured:			
Other borrowing	7,479	7,479	–
Unsecured:			
Term loans	101,629	96,000	–
	109,108	103,479	–
Long Term Borrowings			
Unsecured:			
Term loans	30,022	–	–
Total Borrowings			
Secured:			
Other borrowing	7,479	7,479	–
Unsecured:			
Term loans	131,651	96,000	–
	139,130	103,479	–
Maturity of Borrowings			
Within one year	109,108	103,479	–
More than 1 year and less than 2 years	7,505	–	–
More than 2 years and less than 5 years	22,517	–	–
	139,130	103,479	–

The other borrowing is secured by certain quoted shares in its associate.

The Group's and Company's weighted average effective interest rate per annum during the financial year for term loans were 5.53% and 5.60% per annum respectively.

23 SHARE CAPITAL

	Number of Ordinary Shares of RM1 each		Amount	
	2004 '000	2003 '000	2004 RM'000	2003 RM'000
Authorised				
At 1 January/date of incorporation	1,000,000	100	1,000,000	100
Created during the year/period	–	999,900	–	999,900
At 31 December	1,000,000	1,000,000	1,000,000	1,000,000
Issued and fully paid				
At 1 January/date of incorporation	*	*	*	*
Issued during the year				
– Share and Warrant Swap	196,070	–	196,070	–
– Conversion of warrants	628	–	628	–
At 31 December	196,698	–	196,698	*

* Denotes RM2

During the financial year, the Company increased its issued and paid-up share capital from RM2 to RM196,698,439 by way of:

- (i) the issuance of 196,069,503 new ordinary shares of RM1.00 each together with 49,730,497 new warrants through the Share and Warrant Swap, which forms part of the Reorganisation Scheme; and
- (ii) the issuance of 628,934 new ordinary shares of RM1.00 each upon the conversion of 628,934 warrants at the exercise price of RM1.13 each.

The new ordinary shares issued during the year rank pari passu in all respects with existing ordinary shares of the Company.

Warrants 2004/2007

A total of 49,730,497 warrants were issued by the Company in conjunction with the Share and Warrant Swap. Each warrant entitles the holder the right to subscribe for a new ordinary share of RM1.00 each in the Company at an exercise price as follows:

- (i) RM1.13 per new ordinary share for the period from 25 March 2004 to 24 January 2005; or
- (ii) RM1.19 per new ordinary share for the period from 25 January 2005 to 24 January 2007.

As at the year end, the number of outstanding warrants was 49,101,563.

Employee Share Option Scheme ("ESOS")

The ESOS had been approved by the Securities Commission and became effective on 8 July 2004. At the date of this report, the Scheme is in the process of being implemented.

Notes to The Financial Statements

31 December 2004 (contd.)

24 RESERVES

		Group 2004 RM'000	Company 2004 RM'000	2003 RM'000
Share premium	(a)	82	82	–
Exchange fluctuation reserve	(b)	(397)	–	–
Retained profits/(accumulated losses)	(c)	132,153	105,468	(71)
		131,838	105,550	(71)

The movement in each category of the reserves are disclosed in the statement of changes in equity.

The nature and purpose of each category of reserve are as follows:

(a) Share premium

This reserve comprises the premium paid on subscription of shares in the Company over and above the par value of the shares.

(b) Exchange fluctuation reserve

The foreign exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries as well as from the translation of foreign currency loans used to finance investments in foreign subsidiaries.

(c) Retained profits

This comprises the cumulative results of the Group and of the Company net of taxation. As at 31 December 2004, the Company has sufficient tax credit under Section 108 of the Income Tax Act 1967 to frank the payment of dividend amounting to RM47,280,000 out of its entire retained profits. If the balance of the retained profits of RM58,187,317 were to be distributed as dividend prior to there being sufficient tax credit, the Company would have a Section 108 shortfall of approximately RM22,628,401.

The Group has balance in the tax-exempt account available to be utilised for the distribution of reserves as tax-exempt dividend amounting to approximately RM8,186,000, subject to the agreement of Inland Revenue Board.

25 DEFERRED TAXATION

	Group 2004 RM'000
At 1 January	–
Recognised in the income statement	1,417
Acquisition of subsidiaries	3,909
At 31 December	5,326

Presented after appropriate offsetting as follows:

Deferred tax liabilities	5,326
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The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred Tax Liabilities of the Group:

	Accelerated Capital Allowances RM'000
At 1 January 2004	–
Acquisition of subsidiaries	3,909
Recognised in the income statement	1,417
At 31 December 2004	5,326

Notes to The Financial Statements

31 December 2004 (contd.)

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26 CONTINGENT LIABILITIES

	Company	
	2004 RM'000	2003 RM'000
Unsecured		
Bank guarantee to a third party	–	198,000
Corporate guarantees in favour of various financial institutions in respect of credit facilities extended to certain subsidiaries	39,204	–

27 SIGNIFICANT RELATED PARTY TRANSACTIONS

	Group 2004 RM'000
Significant related party transactions other than those disclosed in the financial statements are as follows:	
Purchase of goods from a corporation in which two Directors of the Company have deemed interest	
– Permanis Sandilands Sdn Bhd	3,229
Purchase of goods from associates	
– Ayamas Food Corporation Bhd	10,589
– KFC Manufacturing Sdn Bhd	21,656
– KFC (Peninsular Malaysia) Sdn Bhd	1,035
– Region Food Industries Sdn Bhd	23
	33,303

The Directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

28 SIGNIFICANT EVENTS

On 20 December 2002, the Company had participated in a reorganisation scheme which involved KFC Holdings (Malaysia) Bhd ("KFCH"), C.I. Holdings Berhad ("CIH"), Ayamas Food Corporation Bhd ("AFCB") and the Company in various proposals to reorganise the group structure of the respective companies ("Scheme").

The Scheme was approved by the relevant authorities and the shareholders of the Company, and was completed on 1 April 2004, save and except for (f) below which was completed on 3 June 2004.

The Scheme involved the following:

(a) Share and Warrant Swap

All the ordinary shares of RM1.00 each in AFCB, representing the entire equity interest therein, and all the AFCB Warrants have been exchanged with new shares and warrants of the Company respectively, credited as fully paid-up, on the basis of one new Company Share for every one existing AFCB Share held, and one Company Warrant for every one existing AFCB Warrant held;

(b) Listing Transfer

The listing status of AFCB has been transferred to the Company wherein the AFCB Shares and Warrants have been delisted from the Main Board of Bursa Malaysia Securities Berhad;

(c) Disposal of AFCB

Disposal by the Company and acquisition by KFCH of the entire equity interest in AFCB, comprising 196,069,503 AFCB Shares and 49,730,497 AFCB Warrants (upon completion of the Share and Warrant Swap and Listing Transfer), for a cash consideration of RM260 million;

28 SIGNIFICANT EVENTS (contd.)

(d) Acquisition of Pizza Hut Holdings (Malaysia) Sdn Bhd

Acquisition by the Company and disposal by KFCH of the entire equity interest in Pizza Hut Holdings (Malaysia) Sdn Bhd, comprising 40,000,000 ordinary shares of RM1.00 each, for a cash consideration of RM115 million;

(e) Acquisition of C.I. Enterprise Sdn Bhd

Acquisition by the Company and disposal by CIH of the entire equity interest in C.I. Enterprise Sdn Bhd, comprising 300,000 ordinary shares of RM1.00 each, for a cash consideration of RM1 and the assumption by the Company of an amount due to CIH amounting to RM198 million;

(f) Restricted Offer for Sale/Placement

Restricted offer for sale and placement by Pan-Tiara Corporation Sdn Bhd of its entire 48.43% equity interest in the Company, comprising 94,953,500 of the Company Shares and 34,984,500 of the Company Warrants upon completion of the Share and Warrant Swap and Listing Transfer, to the shareholders of KFCH (except for C.I. Enterprise Sdn Bhd) and identified senior management personnel of the Group; and

(g) Acquisition of Additional Shares in Associate – KFCH

Acquisition by the Company of 7,604,100 ordinary shares in associate, KFCH between 26 May 2004 to 24 December 2004 representing 3.83% of the issued and paid-up share capital of KFCH for a total purchase consideration of RM27,057,462. Following the acquisition, the Company's shareholdings in KFCH has increased from 28.79% to 32.62%.

29 FINANCIAL INSTRUMENTS

(a) 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 businesses whilst managing its interest rate, foreign exchange, liquidity and credit risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

(b) Interest Rate Risk

The Group's primary interest rate risk relates to interest-bearing debt, as the Group had no substantial long-term interest-bearing assets as at 31 December 2004. The investment in financial assets are mainly short term in nature and they are not held for speculative purposes but have been mostly placed in fixed deposits.

The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews 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 information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

(c) Foreign Exchange Risk

The Group operates internationally and is exposed to various currencies. Foreign currency denominated assets and liabilities together with expected cash flows from highly probable purchases and sales give rise to foreign exchange exposure.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

Foreign exchange exposure in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

The net unhedged financial assets and financial liabilities of the Group companies as at 31 December 2004 that are not denominated in their functional currencies is expected to be immaterial.

29 FINANCIAL INSTRUMENTS (contd.)

(d) Liquidity Risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and prudently balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

(e) Credit Risk

Credit risks, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

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

(f) Fair Value

The carrying amounts of financial assets and liabilities of the Group and the Company at the balance sheet date approximated their fair values except for the following:

	Group		Company	
	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
Financial Assets				
At 31 December 2004:				
Investments in subsidiaries	–	–	115,346	*
Investments in associates	325,092	231,569	27,057	27,223
Advances to subsidiaries	–	–	258,614	#
Financial Liabilities				
At 31 December 2004:				
Amount due to associates	11,906	#	–	–
Term loans	139,130	127,013	103,479	97,899

* It is not practical to estimate the fair value of the Group's non-current unquoted shares because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs.

It is not practical to estimate the fair value of amount due from/(to) subsidiaries and associates due principally to a lack of fixed repayment term entered by the parties involved and the inability to estimate fair value without incurring excessive costs.

29 FINANCIAL INSTRUMENTS (contd.)

(f) Fair Value (contd.)

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

(i) Cash and Cash Equivalents, Trade and Other Receivables/Payables and Short Term Borrowings

The carrying amounts approximate fair values due to the relatively short term maturity of these financial instruments.

(ii) Borrowings

The fair value of borrowings is estimated by discounting the expected future cash flows using the current interest rates for liabilities with similar risk profiles.

(iii) Investments in Associates

The fair value of quoted shares is determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date.

30 COMPARATIVES

The comparative period for the Company covers the period from 20 November 2002 (date of incorporation) to 31 December 2003.

Comparative figures for the Group are not presented as this is the first year of consolidation for the Group since its listing on Bursa Malaysia Securities Berhad on 1 April 2004.

31 SEGMENT INFORMATION

(a) Business Segment

There is no disclosure for segment information by industry as the Group operates in a single industry in the operation of pizza restaurants.

(b) Geographical Segments

The Group's geographical segments can be categorised under Malaysia and foreign. Foreign comprises of Singapore only.

	2004		
	Malaysia RM'000	Foreign RM'000	Consolidated RM'000
External sales	157,282	105,514	262,796
Segment assets	112,185	38,087	150,272
Capital Expenditure	16,612	6,318	22,930

Analysis of Shareholdings

as at 8 March 2005

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Authorised Share Capital	RM1,000,000,000	Class of Shares	Ordinary Share of RM1.00 each
Issued and Paid Up Share Capital	RM199,997,505	Voting Right	1 vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
1 – 99	1,728	30.81	8,649	0.00
100 – 1,000	1,518	27.07	1,026,940	0.51
1,001 – 10,000	2,002	35.70	7,582,720	3.79
10,001 – 100,000	263	4.69	7,737,374	3.87
100,001 – Less than 5% of issued shares	92	1.64	106,938,287	53.47
5% and above of issued shares	5	0.09	76,703,535	38.35
Total	5,608	100.00	199,997,505	100.00

DIRECTORS' DIRECT AND INDIRECT INTERESTS IN THE COMPANY AND ITS RELATED CORPORATIONS

Save as disclosed below, none of the Directors has any interest, direct or indirect, in the Company and its related corporations.

Director	Direct No. of Shares	%	Indirect No. of Shares	%
YBhg Datuk Haji Izhar bin Sulaiman	4,598,500	2.30	24,376,636 ⁽¹⁾	12.19
YBhg Dato' Johari bin Abdul Ghani	–	–	10,909,535 ⁽²⁾	5.45

Notes

(1) Deemed interest through IS Investment Group Ltd

(2) Deemed interest through JAG Capital Holdings Sdn Bhd

SUBSTANTIAL SHAREHOLDERS

	Direct No. of Shares	%	Indirect No. of Shares	%
Management Team	6,734,576	3.37	35,286,171	17.64
– YBhg Datuk Haji Izhar bin Sulaiman	4,598,500	2.30	24,376,636 ⁽¹⁾	12.19
– YBhg Dato' Johari bin Abdul Ghani	–	–	10,909,535 ⁽²⁾	5.45
– Peng Peng Foo	510,719	0.26	–	–
– Dr Kooi Eng Teong	524,619	0.26	–	–
– Au Siew Loon	542,319	0.27	–	–
– Toh Chun Wah	558,419	0.28	–	–
Wisdom Innovative Technology Sdn Bhd	40,900,600	20.45	–	–
Indexia Assets Limited	22,567,310	11.28	–	–
Neo Kim Hock	16,444,000	8.22	–	–

Notes

(1) Deemed interest through IS Investment Group Ltd

(2) Deemed interest through JAG Capital Holdings Sdn Bhd

Analysis of Shareholdings

as at 8 March 2005 (contd.)

LIST OF TOP THIRTY (30) SHAREHOLDERS AS AT 8 MARCH 2005

Name	No. of Shares	% of Total Shares
1 OSK Nominees (Tempatan) Sdn Berhad – Pledged Securities Account for Wisdom Innovative Technology Sdn Bhd	25,209,600	12.60
2 A.A. Assets Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Wisdom Innovative Technology Sdn Bhd	15,913,400	7.96
3 M.I.T Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Neo Kim Hock	13,930,000	6.97
4 CIMSEC Nominees (Tempatan) Sdn Bhd – CIMB for JAG Capital Holdings Sdn Bhd	10,900,000	5.45
5 HDM Nominees (Asing) Sdn Bhd – UOB Kay Hian Pte Ltd for IS Investment Group Limited	10,750,535	5.38
6 HDM Nominees (Asing) Sdn Bhd – UOB Kay Hian Pte Ltd for Yates Ventures Limited	8,143,400	4.07
7 Indexia Assets Limited	8,082,510	4.04
8 M & A Nominee (Tempatan) Sdn Bhd – Pledged Securities Account for Wisdom Innovative Technology Sdn Bhd	6,800,000	3.40
9 Enigma Sinar Sdn Bhd	6,000,000	3.00
10 HDM Nominees (Asing) Sdn Bhd – UOB Kay Hian Pte Ltd for Naunton International Limited	5,416,200	2.71
11 HDM Nominees (Asing) Sdn Bhd – UOB Kay Hian Pte Ltd for Indexia Assets Limited	4,845,700	2.42
12 Mayban Securities Nominees (Tempatan) Sdn Bhd – UOB Kay Hian Pte Ltd for Indexia Assets Limited	4,712,200	2.36
13 HDM Nominees (Asing) Sdn Bhd – UOB Kay Hian Pte Ltd for G1 Investments Pte Ltd	3,500,000	1.75
14 Mayban Securities Nominees (Asing) Sdn Bhd – UOB Kay Hian Pte Ltd for Nueviz Investment Private Limited	2,750,000	1.38
15 Mayban Securities Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Izhar Bin Sulaiman	2,647,000	1.32

LIST OF TOP THIRTY (30) SHAREHOLDERS AS AT 8 MARCH 2005

Name	No. of Shares	% of Total Shares
16 Employees Provident Fund Board	2,420,300	1.21
17 AllianceGroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Izhar Bin Sulaiman	2,170,000	1.09
18 Malaysia Nominees (Tempatan) Sendirian Berhad - Great Eastern Life Assurance (Malaysia) Berhad	2,036,000	1.02
19 Citicorp Nominees (Asing) Sdn Bhd - Citigroup GM Inc for Heritage Investment Corporation	1,900,000	0.95
20 United Overseas Nominees (Tempatan) Sdn Bhd - Pledged Securities Accounts for Izhar Bin Sulaiman	1,862,900	0.93
21 A.A. Assets Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Piramid Tulin Sdn Bhd	1,758,000	0.88
22 A.A. Assets Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Maszura Binti Kamaruddin	1,694,200	0.85
23 Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Idris Bin Abdullah @ Das Murthy	1,345,500	0.67
24 Mayban Securities Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for Sun Spirit Group Limited	1,342,400	0.67
25 RHB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Eagle Option Sdn Bhd	1,139,300	0.57
26 Citicorp Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Izhar Bin Sulaiman	1,099,500	0.55
27 HLB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Peter Chen Hing Woon	1,035,700	0.52
28 TA Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Mohd Radzi Bin Abdul Hamid	1,009,800	0.50
29 HDM Nominees (Tempatan) Sdn Bhd - UOB Kay Hian Pte Ltd for Piramid Tulin Sdn Bhd	1,000,000	0.50
30 Wisdom Innovative Technology Sdn Bhd	1,000,000	0.50
Total	152,414,145	76.21

Analysis of Warrant Holdings

as at 8 March 2005

- Exercise Price and Period**
- 1 RM1.13 for the period commencing from 25 March 2004 to 24 January 2005
 - 2 RM1.19 for the period commencing from 25 January 2005 to 24 January 2007

DISTRIBUTION OF WARRANT HOLDERS

Size of Warrant Holding	No. of Warrant Holders	% of Total Warrant Holders	No. of Warrants	% of Total Warrants
1 – 99	859	28.01	12,052	0.03
100 – 1,000	1,370	44.67	631,121	1.38
1,001 – 10,000	732	23.87	2,382,543	5.20
10,001 – 100,000	75	2.45	1,975,466	4.31
100,001 – Less than 5% of issued shares	27	0.88	12,127,658	26.48
5% and above of issued shares	4	0.13	28,672,657	62.60
Total	3,067	100.00	45,801,497	100.00

DIRECTORS' DIRECT AND INDIRECT INTERESTS IN THE COMPANY AND ITS RELATED CORPORATIONS

Save as disclosed below, none of the Directors has any interest, direct or indirect, in the Company and its related corporations.

Director	Direct		Indirect	
	No. of Warrants	%	No. of Warrants	%
YBhg Datuk Haji Izhar bin Sulaiman	1,251,000	0.63	634,293	0.32

LIST OF TOP THIRTY (30) WARRANT HOLDERS AS AT 8 MARCH 2005

Name	No. of Warrants	% of Total Warrants
1 Enigma Sinar Sdn Bhd	12,000,000	26.20
2 ECM Libra Securities Nominees (Asing) Sdn Bhd – ECM Libra Investment Bank Limited for Indexia Assets Limited (Pledged)	11,154,557	24.35
3 Mayban Securities Nominees (Asing) Sdn Bhd – UOB Kay Hian Pte Ltd for Sun Spirit Group Limited	3,023,500	6.60
4 Employees Provident Fund Board	2,494,600	5.45
5 Leong Hee Peng	1,800,000	3.93
6 Malaysia Nominees (Tempatan) Sendirian Berhad – Great Eastern Life Assurance (Malaysia) Berhad	1,158,400	2.53
7 Mayban Securities Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Izhar Bin Sulaiman	1,136,100	2.48
8 HDM Nominees (Asing) Sdn Bhd – UOB Kay Hian Pte Ltd for Adroit Innovations Pte Ltd	1,000,000	2.18
9 EB Nominees (Tempatan) Sendirian Berhad – Pledged Securities Account for Low Han Teong	814,400	1.78

LIST OF TOP THIRTY (30) WARRANT HOLDERS AS AT 8 MARCH 2005 (contd.)

10	HDM Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for Naunton International Limited	686,200	1.50
11	HDM Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for IS Investment Group Limited	626,000	1.37
12	Mayban Securities Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for Nueviz Investment Private Limited	560,000	1.22
13	Cartaban Nominees (Asing) Sdn Bhd - Credit Agricole Indosuez (Suisse) SA for Whitefield Management Ltd	405,000	0.88
14	Md Yusoff Bin Md Ali	400,000	0.87
15	DB (Malaysia) Nominee (Asing) Sdn Bhd - Deutsche Bank AG London for Aeneas Portfolio Company, L.P.	355,120	0.78
16	Sisma Vest Sdn Bhd	328,000	0.72
17	Mayban Securities Nominees (Asing) Sdn Bhd - UOB Kay Hian Private Limited for G1 Investments Pte Ltd	325,366	0.71
18	Citicorp Nominees (Asing) Sdn Bhd - Pershing LLC for PHD Investments Ltd	310,320	0.68
19	AMSEC Nominees (Asing) Sdn Bhd - Kim Eng Securities Pte Ltd for Magnus Energy Group Ltd	290,900	0.64
20	MP Technology Resources Berhad	238,000	0.52
21	AllianceGroup Nominees (Tempatan) Sdn Bhd - Alliance Capital Asset Management Sdn Bhd for Employees Provident Fund	209,680	0.46
22	AllianceGroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Eng Chin Hock	202,500	0.44
23	Poh Gaik Lye	200,000	0.44
24	Citicorp Nominees (Tempatan) Sdn Bhd - Pershing LLC for Lim Swee Ping	165,600	0.36
25	Toh Chun Wah	161,532	0.35
26	EB Nominees (Tempatan) Sendirian Berhad - Pledged Securities Account for Soh Key Chai	150,020	0.33
27	HDM Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Ong King Kok	148,400	0.32
28	Asia Life (M) Berhad - As Beneficial Owner	122,120	0.27
29	AllianceGroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Izhar Bin Sulaiman	115,000	0.25
30	HDM Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Sim Chee Kuan	110,000	0.24
Total		40,691,315	88.84

List of Properties Held

as at 31 December 2004

Location	Date of Acquisition	Age*	Tenure	Expiry Date	Area (sq ft)	Description	Net Book Value (RM'000)
COMMERCIAL PROPERTIES							
PENANG							
Unit No G-104 Megamal Pinang 2828 Jalan Baru Bandar Perai Jaya 13600 Seberang Perai Tengah	06/06/1996	8	Freehold	–	2,762	Ground floor of a shopping complex for restaurant	1,045
1-5G & 1-10G Eden Parade Jalan Sungai Emas 11100 Batu Ferringhi	12/10/1996	4	Freehold	–	2,818	2 adjoining ground and mezzanine floors of a shopping complex for restaurant	1,219
SELANGOR							
20-4 & 22-4 Jalan 14/22 The Right Angle 46100 Petaling Jaya	31/03/1997	15	Leasehold	16/12/2086	3,080	3rd floor of 2 adjoining units of 4-storey shophouse for future expansion	588
W.P. KUALA LUMPUR							
16 & 16-1 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur	06/06/1996	8	Leasehold	05/04/2078	1,550	Ground & 1st floors of 4-storey shophouse with 1 level basement for restaurant	733
JOHOR							
86 Jalan Dedap 4 Taman Johor Jaya 81100 Johor Bahru	06/03/1997	22	Freehold	–	1,540	Double-storey intermediate shophouse for restaurant	543

* Approximate age of property in years.

NOTICE IS HEREBY GIVEN that the 2nd Annual General Meeting of QSR Brands Bhd will be held at Ballroom A, First Floor, Convention Centre, Renaissance Kuala Lumpur Hotel, Corner of Jalan Sultan Ismail and Jalan Ampang, 50450 Kuala Lumpur, Malaysia, on 28 April 2005 at 11.00am for the following purposes:

AGENDA

- 1 To receive and adopt the Audited Financial Statements of the Company for the year ended 31 December 2004 and the Reports of the Directors and Auditors thereon. Resolution 1
- 2 To approve the payment of a first and final dividend of 4 sen less 28% Malaysian income tax per share. Resolution 2
- 3 To approve the payment of Directors' fees. Resolution 3
- 4 To re-elect the following Directors retiring pursuant to Article 89:
 - (a) YBhg Datuk Haji Izhar bin Sulaiman Resolution 4
 - (b) YBhg Dato' Johari bin Abdul Ghani Resolution 5
- 5 To re-appoint Ernst & Young as Auditors of the Company and authorize the Directors to fix their remuneration. Resolution 6
- 6 As special business:

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

- (a) Authority to allot and issue shares pursuant to Section 132D of the Companies Act 1965

"THAT subject always to the Companies Act 1965, Articles of Association of the Company and approvals from the Bursa Malaysia Securities Berhad and other governmental or regulatory authorities, where such approvals shall be necessary, full authority be and is hereby given to the Directors pursuant to Section 132D of the Companies Act 1965 from time to time to issue and allot ordinary shares from the unissued share capital of the Company upon such terms and conditions and at such times as may be determined by the Directors of the Company to be in the interest of the Company provided always that the aggregate number of shares to be issued pursuant to this Resolution shall not exceed 10 percent of the issued share capital for the time being of the Company." Resolution 7

- (b) Proposed Renewal of Shareholders' Mandate for QSR and its subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties (Proposed Shareholders' Mandate)

"THAT for the purposes of paragraph 10.09 of the Listing Requirements of the Bursa Malaysia Securities Berhad, approval be given for the Company and its subsidiaries ("QSR Group") to enter into any category of recurrent transactions of a revenue or trading nature as set out in paragraph 2.2.1 of the Circular to Shareholders dated 5 April 2005 with the related parties mentioned therein which are necessary for QSR Group's day-to-day operations, provided that:

- (i) the transactions are in the ordinary course of business, made at arm's length and on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders and on normal commercial terms;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year; and
- (iii) interested directors, interested major shareholders and interested persons connected with a director or major shareholder and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder, must not vote on the resolution approving the transactions. An interested director or interested major shareholder must also ensure that persons connected with him abstain from voting on the resolution approving the transactions.

6 As special business (contd.):

AND THAT the authority conferred by such mandate shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the forthcoming AGM at which such Proposed Shareholders' Mandate is passed, at which time it will lapse, unless the authority is renewed by a resolution passed at an AGM;
- (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 143(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders in an AGM or EGM, whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorized to take all such steps as are necessary or expedient to implement, finalise or to effect the Proposed Shareholders' Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities." Resolution 8

7 To transact any other ordinary business of which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that the first and final dividend of 4 sen less 28% Malaysian income tax per share will be paid on 13 May 2005 to depositors who are registered in the Record of Depositors at the close of business on 3 May 2005 if approved by members at the 2nd Annual General Meeting on 28 April 2005.

A Depositor shall qualify for entitlement only in respect of:

- (a) Shares transferred into the Depositor's Securities Account before 4.00 pm on 3 May 2005 in respect of the ordinary transfers; and
- (b) Shares bought on the Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of the Bursa Securities.

BY ORDER OF THE BOARD

Ahmad Aznan Bin Mohd Nawawi
Group Company Secretary
(LS 00 06940)

Kuala Lumpur
5 April 2005

Notes:

A member of the Company entitled to attend and vote at the abovementioned Meeting may appoint a Proxy to attend and vote in his stead. A Proxy may but need not be a member of the Company. The instrument appointing a Proxy must be deposited at the Company's Registrar Office, Symphony Share Registrars Sdn Bhd, Level 26, Menara Multi Purpose, Capital Square, No. 8 Jalan Munshi Abdullah, 50100 Kuala Lumpur, not less than 48 hours before the time for holding the Meeting or any adjournment thereof.

Explanatory Notes on Special Business

1 Resolution Pursuant to Section 132D of the Companies Act 1965

The Ordinary Resolution proposed under item 6(a), if passed, will give the Directors of the Company, from the date of the above General Meeting, authority to issue and allot ordinary shares from the unissued capital of the Company being for such purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company in General Meeting, expire at the next Annual General Meeting.

2 Resolution pursuant to the Proposed Shareholders' Mandate

This resolution proposed under item 6(b) will enable QSR Group to enter into any recurrent transactions of a revenue or trading nature which are necessary for the QSR Group's day-to-day operations, subject to the transactions being in the ordinary course of business, made at arm's length and on normal commercial terms and are not to the detriment of the minority shareholders of the Company.

Further information on the Proposed Shareholders' Mandate are set out in the Circular to Shareholders of the Company which is dispatched together with the Company's Annual Report 2004.

1 DIRECTORS WHO ARE STANDING FOR RE-ELECTION AT THE ANNUAL GENERAL MEETING

The Directors retiring by rotation pursuant to Article 89 of the Articles of Association are:

(i) YBhg Datuk Haji Izhar bin Sulaiman

(ii) YBhg Dato' Johari bin Abdul Ghani

The details of the directors seeking re-election are set out in the Directors' Profiles which appear on page 4 and page 6 of the Annual Report

2 DETAILS OF ATTENDANCE AT BOARD MEETINGS HELD IN THE FINANCIAL YEAR ENDED 31 DECEMBER 2004

There were three (3) Board Meetings held during the financial year ended 31 December 2004 and the following are the details of the Board attendance:

Name of Director	No of Meetings Attended
YBhg Datuk Haji Izhar bin Sulaiman	3/3
YBhg Dato' Johari bin Abdul Ghani	3/3
YB Dato' Hilmi bin Haji Abdul Rashid	3/3
YBhg Dato' Haji Karim bin Marzuki	3/3
YBhg Dato' Dr Ridzuan bin Akil	3/3

3 THE 2ND ANNUAL GENERAL MEETING WILL BE HELD AT BALLROOM A, FIRST FLOOR, CONVENTION CENTRE, RENAISSANCE KUALA LUMPUR HOTEL, CORNER OF JALAN SULTAN ISMAIL AND JALAN AMPANG, 50450 KUALA LUMPUR, MALAYSIA, ON 28 APRIL 2005 AT 11.00 A.M.

Laporan Pengarah	100
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Para Pengarah dengan sukacitanya membentangkan laporan mereka berserta dengan penyata kewangan Kumpulan dan Syarikat yang telah diaudit bagi tahun kewangan berakhir 31 Disember 2004.

AKTIVITI-AKTIVITI UTAMA

Aktiviti utama Syarikat adalah pegangan pelaburan dan penyediaan perkhidmatan pengurusan. Aktiviti utama syarikat-syarikat subsidiari dan bersekutu dinyatakan dalam Nota 13 dan Nota 14 kepada penyata kewangan.

KEPUTUSAN KEWANGAN

	Kumpulan RM'000	Syarikat RM'000
Keuntungan operasi	123,451	123,939
Bahagian keputusan syarikat bersekutu	17,507	–
Keuntungan sebelum cukai	140,958	123,939
Cukai	(8,734)	(18,400)
Keuntungan bersih bagi tahun	132,224	105,539
Kerugian terkumpul dibawa ke hadapan	(71)	(71)
Keuntungan tersimpan dihantar ke hadapan	132,153	105,468

Tidak ada pindaan penting kepada atau daripada rizab atau peruntukan pada tahun kewangan ini selain daripada seperti yang dinyatakan di dalam penyata perubahan dalam ekuiti.

Pada pendapat para Pengarah, keputusan operasi Kumpulan dan Syarikat pada tahun kewangan ini tidak dijejaskan dengan ketara oleh sebarang perkara, urusaniaga atau peristiwa penting dan berbentuk luar biasa, selain daripada skim penyusunan semula seperti yang dinyatakan dalam Nota 28 kepada penyata kewangan.

DIVIDEN

Sejak akhir tahun kewangan lepas, tiada dividen telah dibayar oleh Syarikat.

Di Mesyuarat Agung Tahunan akan datang, dividen pertama dan akhir bagi tahun kewangan berakhir 31 Disember 2004, sebanyak 4 sen ditolak 28% cukai sesaham daripada 196,698,439 saham biasa, menjadikan dividen yang akan dibayar berjumlah RM5,664,915 (2.88 sen sesaham bersih) akan dicadangkan untuk kelulusan para pemegang saham.

Penyata kewangan bagi tahun kewangan semasa tidak menunjukkan dividen yang dicadangkan ini. Dividen tersebut, jika diluluskan oleh para pemegang saham, akan diambilkira di dalam ekuiti pemegang saham sebagai pembahagian keuntungan tersimpan pada tahun kewangan berakhir 31 Disember 2005.

PENGARAH

Nama-nama Pengarah Syarikat sejak tarikh laporan lepas dan pada tarikh laporan ini adalah:

YBhg Datuk Haji Izhar bin Sulaiman	(Pengerusi Eksekutif Kumpulan)
YBhg Dato' Johari bin Abdul Ghani	(Pengarah Urusan Kumpulan)
YB Dato' Hilmi bin Haji Abdul Rashid	
YBhg Dato' Haji Karim bin Marzuki	
YBhg Dato' Dr Ridzuan bin Akil	

MANFAAT PENGARAH

Tidak wujud sama ada pada akhir tahun kewangan ini atau sepanjang tahun ini, sebarang pengatur, yang mana Syarikat merupakan satu pihak, membolehkan para Pengarah mendapat manfaat melalui penguasaan saham atau debentur Syarikat atau sebarang badan korporat.

Sejak akhir tempoh kewangan lepas, tiada Pengarah telah menerima atau menjadi layak menerima manfaat (selain daripada manfaat yang dimasukkan dalam jumlah agregat emolumen yang diterima atau sampai masa dan akan diterima oleh para Pengarah seperti yang ditunjukkan dalam Nota 7 kepada penyata kewangan atau gaji tetap kakitangan sepenuh masa Syarikat) disebabkan oleh suatu kontrak yang dibuat oleh Syarikat atau perbadanan berkaitan dengan mana-mana Pengarah atau dengan firma yang beliau menjadi ahli, atau dengan syarikat di mana beliau mempunyai kepentingan kewangan utama, kecuali seperti yang dinyatakan dalam Nota 27 kepada penyata kewangan.

KEPENTINGAN PENGARAH

Menurut daftar pegangan saham Pengarah, kepentingan Pengarah yang berkhidmat pada akhir tahun kewangan ini, dalam saham Syarikat dan perbadanan berkaitannya pada tahun kewangan ini adalah seperti berikut:

	Bilangan Saham Biasa berharga RM1.00 Sesaham			
	1 Januari 2004	Dibeli	Dijual	31 Disember 2004
Syarikat				
Kepentingan Langsung				
YBhg Datuk Haji Izhar bin Sulaiman	1	4,598,499	–	4,598,500
YBhg Dato' Johari bin Abdul Ghani	1	5,793,309	–	5,793,310
Kepentingan Tidak Langsung				
YBhg Datuk Haji Izhar bin Sulaiman	–	24,376,636	–	24,376,636
YBhg Dato' Johari bin Abdul Ghani	–	10,909,535	–	10,909,535
Syarikat Bersekutu,				
KFC Holdings (Malaysia) Bhd				
Kepentingan Langsung				
YBhg Datuk Haji Izhar bin Sulaiman	10,000,000	122,500	10,000,000	122,500
YBhg Dato' Johari bin Abdul Ghani	10,000,000	–	–	10,000,000
	Bilangan Waran			
	1 Januari 2004	Dibeli	Dijual	31 Disember 2004
Syarikat				
Kepentingan Langsung				
YBhg Datuk Haji Izhar bin Sulaiman	–	1,785,000	–	1,785,000
YBhg Dato' Johari bin Abdul Ghani	–	3,375,000	–	3,375,000
Kepentingan Tidak Langsung				
YBhg Datuk Haji Izhar bin Sulaiman	–	634,293	–	634,293

MANFAAT PENGARAH (samb)

YBhg Datuk Haji Izhar bin Sulaiman dan YBhg Dato' Johari bin Abdul Ghani berasaskan kepentingan mereka dalam saham Syarikat juga dianggap mempunyai kepentingan dalam semua saham anak syarikat setakat mana Syarikat mempunyai kepentingan.

Tiada Pengarah lain yang berkhidmat pada akhir tahun kewangan ini mempunyai kepentingan dalam saham Syarikat atau perbadanan berkaitannya pada tahun kewangan ini.

TERBITAN SAHAM

Pada tahun kewangan ini, Syarikat telah menambah modal diterbitkan dan dibayar daripada RM2 kepada RM196,698,439 melalui :

- (i) penerbitan sebanyak 196,069,503 saham biasa baru berharga RM1.00 sesaham dalam Syarikat berserta dengan 49,730,497 waran baru melalui Pertukaran Saham dan Waran, yang membentuk sebahagian daripada skim penyusunan semula; dan
- (ii) penerbitan sebanyak 628,934 saham biasa baru berharga RM1.00 sesaham berikutan penukaran 628,934 waran pada harga pelaksanaan RM1.13 sesaham

Saham biasa baru yang diterbitkan pada tahun ini ditaraf pari passu dalam semua hal berhubung dengan saham biasa sedia ada Syarikat.

WARAN

Ciri-ciri utama waran dinyatakan dalam Nota 23 kepada penyata kewangan.

SKIM PILIHAN SAHAM KAKITANGAN ("ESOS")

ESOS telah diluluskan oleh Suruhanjaya Sekuriti dan berkuatkuasa pada 8 Julai 2004. Pada tarikh laporan ini, Skim ini sedang dilaksanakan.

MAKLUMAT BERKANUN LAIN

- (a) Sebelum penyata pendapatan dan kunci kira-kira Kumpulan dan Syarikat disediakan, para Pengarah telah mengambil langkah-langkah sewajarnya:
 - (i) untuk memastikan bahawa tindakan sewajarnya telah diambil berhubung dengan penghapusan hutang lapuk dan membuat peruntukan bagi hutang ragu dan telah berpuas hati bahawa semua hutang lapuk yang diketahui telah dihapuskan dan peruntukan yang mencukupi telah dibuat bagi hutang ragu; dan
 - (ii) untuk memastikan bahawa sebarang aset semasa yang tidak mungkin akan direalisasi nilainya dalam perjalanan biasa perniagaan seperti yang ditunjukkan di dalam rekod perakaunan, telah diturunkan nilainya kepada jumlah yang dijangka boleh direalisasi.
- (b) Pada tarikh laporan ini, para Pengarah tidak menyedari sebagai keadaan yang tidak diliputi di dalam laporan ini atau penyata kewangan Kumpulan dan Syarikat yang boleh menyebabkan:
 - (i) jumlah hutang lapuk yang dihapuskan atau jumlah peruntukan bagi hutang ragu tidak mencukupi ke tahap yang ketara; dan
 - (ii) nilai aset semasa di dalam penyata kewangan Kumpulan dan Syarikat mengelirukan.
- (c) Pada tarikh laporan ini, para Pengarah tidak menyedari sebarang keadaan mungkin timbul yang menyebabkan pematuhan terhadap kaedah sedia ada penilaian aset atau liabiliti Kumpulan dan Syarikat mengelirukan atau tidak sesuai.
- (d) Pada tarikh laporan ini, para Pengarah tidak menyedari sebarang keadaan yang tidak diliputi di dalam laporan ini atau penyata kewangan Kumpulan dan Syarikat yang boleh menyebabkan sebarang jumlah yang dinyatakan di dalam penyata kewangan mengelirukan.

MAKLUMAT BERKANUN LAIN (samb)

(e) Pada tarikh laporan ini, tidak wujud:

- (i) sebarang tuntutan ke atas aset Kumpulan atau Syarikat yang timbul sejak akhir tahun kewangan yang menjamin liabiliti mana-mana pihak lain; atau
- (ii) sebarang liabiliti luarjangka Kumpulan atau Syarikat yang timbul sejak akhir tahun kewangan ini.

(f) Pada pendapat para Pengarah

- (i) tiada liabiliti luarjangka atau liabiliti lain yang berkuatkuasa atau berkemungkinan akan berkuatkuasa dalam tempoh dua belas bulan selepas akhir tahun kewangan ini yang akan atau mungkin menjejaskan kemampuan Kumpulan atau Syarikat memenuhi obligasinya apabila sampai masanya; dan
- (ii) pada tempoh antara akhir tahun kewangan dan tarikh laporan ini, tiada perkara, urusaniaga atau peristiwa penting dan luarbiasa telah timbul yang berkemungkinan akan menjejaskan dengan ketara keputusan operasi Kumpulan atau Syarikat bagi tahun kewangan di mana laporan ini disediakan kecuali sepertimana yang mungkin timbul daripada skim penyusunan semula seperti yang dinyatakan dalam Nota 27 kepada penyata kewangan.

PERISTIWA PENTING

Peristiwa penting dinyatakan dalam Nota 28 kepada penyata kewangan.

JURUAUDIT

Juruaudit, Ernst & Young, telah menyatakan kesanggupan mereka untuk meneruskan perkhidmatan.

Ditandatangani bagi pihak Lembaga Pengarah menurut resolusi para Pengarah

Datuk Haji Izhar bin Sulaiman
Pengerusi Eksekutif Kumpulan

Kuala Lumpur, Malaysia
15 Mac 2005

Dato' Johari bin Abdul Ghani
Pengaruh Urusan Kumpulan

Menurut Seksyen 169(15) Akta Syarikat 1965

Kami Datuk Haji Izhar bin Sulaiman dan Dato' Johari bin Abdul Ghani, merupakan dua orang Pengarah QSR Brands Bhd, dengan ini menyatakan bahawa, pada pendapat para Pengarah, penyata kewangan yang disertakan dari muka surat 106 hingga 131 telah disediakan menurut Piawaian Perakaunan Yang Diluluskan oleh MASB dan peruntukan Akta Syarikat 1965 untuk memberi gambaran yang benar dan saksama mengenai kedudukan kewangan Kumpulan dan Syarikat pada 31 Disember 2004 dan keputusan dan aliran tunai Kumpulan dan Syarikat bagi tahun yang berakhir pada tarikh tersebut.

Ditandatangani bagi pihak Lembaga Pengarah menurut resolusi para Pengarah

Datuk Haji Izhar bin Sulaiman
Pengerusi Eksekutif Kumpulan

Kuala Lumpur, Malaysia
15 Mac 2005

Dato' Johari bin Abdul Ghani
Pengarah Urusan Kumpulan

PENGAKUAN BERKANUN

Menurut Seksyen 169(16) Akta Syarikat 1965

Saya, Dato' Johari bin Abdul Ghani, merupakan Pengarah yang mempunyai tanggungjawab utama ke atas pengurusan kewangan QSR Brands Bhd, dengan sungguh dan seikhlasnya mengakui bahawa penyata kewangan yang dibentangkan di muka surat 106 hingga 131 pada pendapat saya adalah betul, dan saya membuat pengakuan ini dengan penuh kepercayaan bahawa ianya adalah benar dan menurut peruntukan Akta Akuan Berkanun 1960.

Ditandatangani dan diisytihar dengan sesungguhnya
oleh penama di atas Dato' Johari bin Abdul Ghani
di Kuala Lumpur di Wilayah Persekutuan pada 15 Mac 2005.

Dato' Johari bin Abdul Ghani
Pengarah Urusan Kumpulan

Di hadapan saya,

Maisharah binti Abu Hasan (W181)
Pesuruhjaya Sumpah

Kepada ahli-ahli QSR Brands Bhd

Kami telah mengaudit penyata kewangan yang dibentangkan di muka surat 106 hingga 131. Penyata kewangan ini adalah tanggungjawab para Pengarah Syarikat. Tanggungjawab kami adalah untuk menyatakan pendapat mengenai penyata kewangan tersebut berdasarkan audit kami.

Kami bertanggungjawab untuk membentuk pendapat yang bebas, berasaskan kepada audit kami berhubung penyata kewangan dan melaporkan pendapat kami kepada anda, sebagai sebuah badan, menurut Seksyen 174 Akta Syarikat 1965 dan bukan untuk tujuan lain. Kami tidak memikul tanggungjawab kepada mana-mana pihak lain berhubung kandungan laporan ini.

Kami telah menjalankan audit kami menurut Piawaian Pengauditan Yang Diluluskan oleh MASB di Malaysia. Piawaian tersebut memerlukan kami merancang dan melaksanakan audit untuk memberi jaminan munasabah bahawa penyata kewangan ini bebas daripada salah nyata yang penting. Sesuatu audit termasuk pemeriksaan berasaskan ujian, bukti yang menyokong jumlah dan pendedahan dalam penyata kewangan. Sesuatu audit juga termasuk menilai prinsip perakaunan yang digunakan dan anggaran penting yang dibuat oleh para pengarah, serta menilai pembentangan keseluruhan penyata kewangan. Kami percaya audit kami memberi asas yang munasabah bagi pendapat kami.

Pada pendapat kami:

- (a) penyata kewangan ini telah disediakan dengan sewajarnya menurut peruntukan Akta Syarikat 1965 dan Piawaian Perakaunan Diluluskan oleh MASB di Malaysia untuk memberi pandangan yang benar dan saksama:
 - (i) kedudukan kewangan Kumpulan dan Syarikat pada 31 Disember 2004 dan keputusan dan aliran tunai Kumpulan dan Syarikat bagi tahun yang berakhir pada tahun tersebut; dan
 - (ii) perkara-perkara yang dikehendaki oleh Seksyen 169 untuk diuruskan di dalam penyata kewangan.
- (b) rekod perakaunan dan rekod-rekod lain dan daftar yang dikehendaki oleh Akta perlu disimpan oleh Syarikat dan anak-anak syarikatnya yang mana kami bertindak sebagai juruaudit telah disimpan dengan sempurna menurut peruntukan Akta tersebut.

Kami telah mempertimbangkan penyata kewangan serta laporan juruaudit untuk anak-anak syarikat yang kami tidak wakili, sepertimana yang tercatat dalam Nota 13 kepada penyata kewangan, kerana ia merupakan penyata-penyata kewangan yang telah dimasukkan ke dalam penyata kewangan yang disatukan.

Kami berpuas hati bahawa penyata kewangan anak-anak syarikat yang telah disatukan dengan penyata kewangan Syarikat adalah dalam bentuk dan kandungan yang sesuai bagi tujuan penyediaan penyata kewangan yang disatukan dan kami telah menerima maklumat dan penjelasan yang memuaskan yang kami perlukan untuk tujuan ini.

Laporan juruaudit ke atas penyata kewangan anak-anak syarikat tidak tertakluk kepada sebarang pengecualian yang penting kepada penyata kewangan dan tidak mengandungi sebarang teguran yang perlu dibuat di bawah Seksyen 174(3) Akta tersebut.

Ernst & Young
AF: 0039
Akauntan Bertauliah

Mohd Sukarno bin Tun Sardon
No. 1697/03/07 (J)
Rakan Kongsi

Kuala Lumpur, Malaysia
15 Mac 2005

Penyata Pendapatan

untuk tahun berakhir
31 Disember 2004

		Kumpulan 1.4.2004 hingga 31.12.2004 RM'000	Syarikat 1.1.2004 hingga 31.12.2004 RM'000	20.11.2002 hingga 31.12.2003 RM'000
	Nota			
Hasil	3	262,796	1,400	–
Kos Jualan	4	(78,949)	–	–
Keuntungan Kasar		183,847	1,400	–
Pendapatan operasi lain		11,491	69,905	–
Keuntungan daripada penjualan pelaburan		113,930	63,930	–
Kos pengedaran		(131,337)	–	–
Perbelanjaan pentadbiran		(43,288)	(2,055)	(71)
Perbelanjaan operasi lain		(5,467)	(5,000)	–
Keuntungan/(kerugian) daripada operasi	5	129,176	128,180	(71)
Kos kewangan	8	(5,725)	(4,241)	–
Bahagian keputusan syarikat-syarikat bersekutu		17,507	–	–
Keuntungan/(kerugian) sebelum cukai		140,958	123,939	(71)
Cukai	9	(8,734)	(18,400)	–
Syarikat dan anak-anak syarikat		(5,128)	(18,400)	–
Syarikat-syarikat bersekutu		(3,606)	–	–
Keuntungan/(kerugian) bersih bagi tahun/tempoh		132,224	105,539	(71)
Pendapatan sesaham (sen)				
Asas	10	87.49		
Dicairkan	10	76.82		
Dividen bersih sesaham berhubung tahun tempoh (sen)	11	2.88	2.88	–

Nota-nota yang disertakan merupakan sebahagian penting daripada penyata kewangan ini.

	Nota	Kumpulan 2004 RM'000	Syarikat 2004 RM'000	2003 RM'000
ASET BUKAN SEMASA				
Hartanah, loji dan peralatan	12	83,738	–	–
Pelaburan dalam anak-anak syarikat	13	–	115,346	–
Pelaburan dalam syarikat-syarikat bersekutu	14	325,092	27,057	–
Aset tidak ketara	15	56,718	–	–
		465,548	142,403	–
ASET SEMASA				
Inventori	16	12,895	–	–
Perdagangan akan diterima	17	1,217	–	–
Bayaran lain akan diterima	18	16,508	262,033	–
Tunai dan baki bank	19	29,801	1,744	5
		60,421	263,777	5
LIABILITI SEMASA				
Perdagangan akan dibayar	20	13,079	–	–
Pembayaran lain	21	39,898	453	76
Pinjaman bank	22	109,108	103,479	–
		162,085	103,932	76
(LIABILITI)/ASET SEMASA BERSIH		(101,664)	159,845	(71)
		363,884	302,248	(71)
DIBIYAI OLEH:				
Modal saham	23	196,698	196,698	*
Rizab	24	131,838	105,550	(71)
Ekuiti pemegang saham		328,536	302,248	(71)
Pinjaman jangka panjang	22	30,022	–	–
Cukai tertunda	25	5,326	–	–
Liabiliti bukan semasa		35,348	–	–
		363,884	302,248	(71)

* Menunjukkan RM2

Nota-nota yang disertakan merupakan sebahagian penting daripada penyata kewangan ini.

**Penyata
Perubahan
Dalam Ekuiti**
untuk tahun berakhir
31 Disember 2004

Kumpulan	Modal saham RM'000	Tidak boleh diagihkan		Boleh diagihkan	
		Premium saham (Nota 24) RM'000	Rizab perbezaan pertukaran (Nota 24) RM'000	Keuntungan tersimpan/ (kerugian terkumpul) (Nota 24) RM'000	Jumlah RM'000
Pada 1 Januari 2004	*	–	–	(71)	(71)
Perbezaan pertukaran	–	–	(397)	–	(397)
Keuntungan bersih bagi tahun	–	–	–	132,224	132,224
Terbitan modal saham					
– pertukaran saham dan waran	196,070	–	–	–	196,070
– pertukaran waran	628	82	–	–	710
Pada 31 Disember 2004	196,698	82	(397)	132,153	328,536
Syarikat					
Pada tarikh perbadanan	*	–	–	*	*
Kerugian bersih bagi tahun	–	–	–	(71)	(71)
Pada 31 Disember 2003	*	–	–	(71)	(71)
Pada 1 Januari 2004	*	–	–	(71)	(71)
Keuntungan bersih bagi tahun	–	–	–	105,539	105,539
Terbitan modal saham					
– pertukaran saham dan waran	196,070	–	–	–	196,070
– pertukaran waran	628	82	–	–	710
Pada 31 Disember 2004	196,698	82	–	105,468	302,248

* Menunjukkan RM2

Nota-nota yang disertakan merupakan sebahagian penting daripada penyata kewangan ini.

**Penyata
Aliran Tunai**
untuk tahun berakhir
31 Disember 2004

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	Kumpulan 1.4.2004 hingga 31.12.2004 RM'000	Syarikat 1.1.2004 hingga 31.12.2004 RM'000	20.11.2002 hingga 31.12.2003 RM'000
ALIRAN TUNAI DARIPADA AKTIVITI OPERASI			
Keuntungan/(kerugian) sebelum cukai	140,958	123,939	(71)
Pelarasan bagi:			
Pelunasan bayaran francais	394	-	-
Susutnilai (Nota 12)	12,620	-	-
Perbelanjaan faedah	5,725	4,241	-
Kerugian daripada penjualan hartanah, loji dan peralatan	467	-	-
Pendapatan dividen daripada			
- syarikat-syarikat bersekutu	-	(404)	-
- pelaburan	-	(69,444)	-
Pendapatan faedah	(568)	(57)	-
Keuntungan daripada penjualan pelaburan	(113,930)	(63,930)	-
Bahagian keputusan syarikat-syarikat bersekutu	(17,507)	-	-
Modal kerja	28,159	(5,655)	(71)
Inventori	(5,434)	-	-
Penerimaan	(4,301)	(2,262)	-
Anak-anak syarikat	-	(258,614)	-
Pembayaran	(249,411)	377	76
Tunai (digunakan dalam)/dijana daripada operasi	(230,987)	(266,154)	5
Faedah dibayar	(5,725)	(4,241)	-
Cukai dibayar	(4,100)	(19,557)	-
Tunai bersih (digunakan dalam)/dijana daripada aktiviti operasi	(240,812)	(289,952)	5
ALIRAN TUNAI DARIPADA AKTIVITI PELABURAN			
Pembelian hartanah, loji dan peralatan	(22,930)	-	-
Pembelian saham tambahan dalam syarikat bersekutu	(27,057)	(27,057)	-
Kutipan daripada penjualan hartanah, loji dan peralatan	4,784	-	-
Yuran francais	(1,489)	-	-
Pembelian anak-anak syarikat (Nota 13)	(99,005)	(115,346)	-
Kutipan daripada penjualan pelaburan	260,000	260,000	-
Faedah diterima	568	57	-
Pelarasan pertukaran matawang	(397)	-	-
Dividen diterima daripada			
- syarikat-syarikat bersekutu	6,866	404	-
- pelaburan	50,000	69,444	-
Tunai bersih dijana daripada aktiviti pelaburan	171,340	187,502	-
ALIRAN TUNAI DARIPADA AKTIVITI PEMBIAYAAN			
Penerbitan saham	710	710	-
Pengeluaran pinjaman berjangka	103,479	103,479	-
Bayaran pinjaman berjangka	(4,921)	-	-
Tunai bersih dijana daripada aktiviti pembiayaan	99,268	104,189	-
PERUBAHAN BERSIH DALAM TUNAI DAN BERSAMAAN TUNAI	29,796	1,739	5
TUNAI DAN BERSAMAAN TUNAI PADA AWAL TAHUN /			
TARIKH PEMERBADANAN	5	5	*
TUNAI DAN BERSAMAAN TUNAI PADA AKHIR TAHUN (NOTA 19)	29,801	1,744	5

Nota-nota yang disertakan merupakan sebahagian penting daripada penyata kewangan ini.

* Menunjukkan RM2

Nota-Nota Kepada Penyata Kewangan

31 Disember 2004

1 MAKLUMAT KORPORAT

Aktiviti utama Syarikat adalah pegangan pelaburan dan penyediaan perkhidmatan pengurusan. Aktiviti utama anak-anak syarikat dan bersekutu adalah seperti yang dinyatakan dalam Laporan Pengarah Syarikat. Tiada perubahan ketara berlaku dalam bentuk aktiviti utama tersebut pada tahun kewangan ini.

Syarikat adalah sebuah syarikat tanggungan berhad awam, diperbadankan dan bermastautin di Malaysia, dan disenaraikan di Papan Utama Bursa Malaysia Securities Berhad pada 1 April 2004. Pejabat berdaftar Syarikat terletak di Aras 17, Wisma KFC, No. 17 Jalan Sultan Ismail, 50250 Kuala Lumpur.

Bilangan purata bulanan pekerja yang diambil oleh Kumpulan dan Syarikat pada tahun ini adalah seperti berikut:

	Kumpulan 2004 Bilangan	Syarikat 2004 Bilangan	2003 Bilangan
- Pengurusan	71	2	-
- Operasi	5,194	-	-
- Pentadbiran	88	-	-
	5,353	2	-

Penyata kewangan ini telah dilulus untuk diterbitkan oleh Lembaga Pengarah menurut resolusi para pengarah pada 15 Mac 2005.

2 DASAR-DASAR PERAKAUNAN PENTING

(a) Asas Penyediaan

Penyata kewangan Kumpulan dan Syarikat telah disediakan di bawah konvensyen kos sejarah, kecuali seperti yang dinyatakan dalam dasar-dasar perakaunan penting dan mematuhi Akta Syarikat, 1965 dan Piawaian Perakaunan Diluluskan oleh MASB yang berkenaan di Malaysia.

(b) Asas Penyatuan

(i) Anak Syarikat

Penyata kewangan yang disatukan meliputi penyata kewangan Syarikat dan semua anak syarikatnya. Anak syarikat adalah syarikat di mana Kumpulan mempunyai kepentingan ekuiti jangka panjang dan di mana ia mempunyai kuasa untuk melaksanakan kawalan ke atas dasar-dasar kewangan dan operasi bagi memperoleh manfaat daripadanya.

Anak syarikat disatu menggunakan kaedah pengambilalihan perakaunan. Di bawah kaedah pengambilalihan perakaunan, keputusan anak syarikat yang diambilalih atau dijual pada tahun tersebut dimasukkan ke dalam penyata pendapatan yang disatukan dari tarikh pengambilalihan berkuatkuasa atau sehingga tarikh penjualan berkuatkuasa, mengikut kesesuaian. Aset dan liabiliti sesebuah anak syarikat diukur pada nilai saksamanya pada tarikh pengambilalihan. Perbezaan antara kos sesuatu pengambilalihan dan nilai saksama bahagian Kumpulan daripada aset bersih anak syarikat yang diambilalih pada tarikh pengambilalihan dimasukkan ke dalam kunci kira-kira yang disatukan sebagai muhibah atau muhibah negatif yang timbul daripada penyatuan.

Urusniaga dalam kumpulan, baki dan keuntungan tidak direalisasi yang terhasil dihapuskan semasa penyatuan dan penyata kewangan yang disatukan hanya menunjukkan urusniaga luaran sahaja. Kerugian tidak direalisasi dihapuskan semasa penyatuan kecuali jika kos tidak boleh diperolehi semula.

Keuntungan atau kerugian daripada penjualan sesebuah anak syarikat adalah perbezaan antara kutipan penjualan bersih dan bahagian Kumpulan daripada aset bersihnya dengan sebarang baki muhibah yang tidak dilunaskan dan perbezaan pertukaran.

Kepentingan minoriti dalam kunci kira-kira yang disatukan meliputi bahagian minoriti daripada nilai saksama aset dan liabiliti boleh dikenalpasti syarikat yang diambilalih pada tarikh pengambilalihan dan bahagian minoriti daripada perubahan dalam ekuiti syarikat yang diambilalih sejak tarikh tersebut.

2 DASAR-DASAR PERAKAUNAN PENTING (samb)

(b) Asas Penyatuan (samb)

(ii) Syarikat bersekutu

Syarikat bersekutu adalah syarikat di mana Kumpulan boleh melaksanakan pengaruh penting tetapi bukan kawalan, melalui penyertaan dalam keputusan dasar kewangan dan operasi syarikat-syarikat berkenaan.

Pelaburan dalam syarikat bersekutu diambilkira di dalam penyata kewangan yang disatukan melalui kaedah ekuiti berasaskan kepada penyata kewangan yang telah diaudit atau penyata kewangan pengurusan syarikat bersekutu. Di bawah kaedah ekuiti perakaunan, bahagian Kumpulan daripada keuntungan tolak kerugian syarikat-syarikat bersekutu pada tahun dimasukkan ke dalam penyata pendapatan yang disatukan. Kepentingan Kumpulan di dalam syarikat bersekutu dibawa dalam kunci kira-kira yang disatukan pada kos campur bahagian Kumpulan daripada keuntungan tersimpan atau kerugian terkumpul atau rizab lain selepas pengambilalihan.

Keuntungan tidak direalisasi daripada urusniaga antara Kumpulan dan syarikat-syarikat bersekutu dihapuskan sehingga ke tahap kepentingan Kumpulan dalam syarikat bersekutu berkenaan. Kerugian tidak direalisasi dihapuskan kecuali kos tidak boleh diperolehi semula.

(c) Muhibah dan Aset Tidak Ketara

Muhibah mewakili lebih daripada kos pengambilalihan berbanding kepentingan Kumpulan dalam nilai saksama aset dan liabiliti boleh dikenalpasti anak syarikat pada tarikh pengambilalihan.

Muhibah yang timbul daripada penyatuan dipermodalkan sebagai aset dan disemak untuk kemerosotan nilai pada akhir tahun kewangan berikutan pengambilalihan tersebut dan dalam tempoh lain jika peristiwa atau perubahan keadaan menunjukkan bahawa nilai bawa tidak boleh diperolehi semula.

Yuran francais permulaan dan pembaharuan dan yuran pembaharuan francais dinyatakan pada kos dan dilunaskan berasaskan garis lurus selama 10 tahun.

(d) Pelaburan dalam Anak Syarikat dan Bersekutu

Pelaburan Syarikat dalam anak syarikat dan bersekutu dinyatakan pada kos tolak kerugian kemerosotan nilai. Dasar bagi pengiktirafan dan penentuan kerugian kemerosotan nilai adalah selaras dengan Nota 2(l).

Semasa penjualan pelaburan tersebut, perbezaan antara kutipan penjualan bersih dan jumlah bawanya diiktiraf di dalam penyata pendapatan.

(e) Hartanah, Loji dan Peralatan dan Susutnilai

Hartanah, loji dan peralatan dinyatakan pada kos pembeliannya dan sebarang kos berkaitan pengambilalihan tolak susutnilai terkumpul dan kerugian kemerosotan nilai. Dasar bagi pengiktirafan dan penentuan kerugian kemerosotan nilai adalah selaras Nota 2(l).

Tanah milik bebas tidak dilunaskan kerana ia mempunyai jangka hayat tidak terhad. Tanah milik pajakan jangka panjang dengan tempoh pajakan tidak tamat lebih dari 50 tahun, tidak dilunaskan kerana kesan tidak dilunaskan itu dijangka tidak ketara. Tanah pegangan pajakan dengan tempoh tidak tamat 50 tahun atau kurang dilunaskan sepanjang tempoh pajakan.

Hartanah, loji dan peralatan lain disusutnilai sepanjang anggaran hayat bergunanya berasaskan kaedah garis lurus.

Kadar susutnilai tahunan utama yang digunakan adalah seperti berikut:

Bangunan	2%
Peningkatan milik pajakan	10%
Kenderaan bermotor	20%
Peralatan, perabot dan kelengkapan restoran	10%

2 DASAR-DASAR PERAKAUNAN PENTING (samb)

(e) Hartanah, Loji dan Peralatan dan Susutnilai (samb)

Susutnilai tidak disediakan bagi pinggan mangkuk, alat pemotong dan periuk belanga. Kos penggantian aset-aset ini dicaj kepada hasil apabila ditanggung.

Apabila sesuatu butiran hartanah, loji dan peralatan dilupuskan, perbezaan antara kutipan penjualan bersih dan jumlah bawa diiktiraf di dalam penyata pendapatan dan bahagian lebihan penilaian semula yang tidak digunakan daripada butiran tersebut diambil kira secara langsung kepada keuntungan tersimpan.

(f) Inventori

Inventori dinyatakan pada yang mana lebih rendah antara kos (ditentukan berasaskan kos sebenar) dan nilai boleh realisasi bersih. Untuk memperolehi nilai boleh realisasi bersih, peruntukan sewajarnya dibuat bagi semua perkara usang dan kurang laris. Kos meliputi harga belian dan perbelanjaan berkaitan. Nilai boleh realisasi bersih mewakili harga jualan yang dianggap tolak semua kos anggaran sehingga siap dan kos yang akan ditanggung dalam aktiviti pemasaran, penjualan dan pengedaran.

(g) Tunai dan Bersamaan Tunai

Bagi tujuan penyata aliran tunai, tunai dan bersamaan tunai meliputi tunai dalam tangan dan di bank, deposit panggilan dan pelaburan jangka pendek berkecairan tinggi yang mempunyai risiko perubahan nilai yang tidak ketara, selepas ditolak overdraf bank tertunggak.

(h) Cukai

Cukai pendapatan daripada keputusan bagi tahun ini meliputi cukai semasa dan tertunda. Cukai semasa jumlah cukai pendapatan yang dijangka akan dibayar berhubung keuntungan yang boleh dicukai bagi tahun dan tertentu menggunakan kadar cukai yang telah berkuatkuasa pada tarikh kunci kira.

Cukai tertunda diperuntuk, menggunakan kaedah liabiliti, daripada perbezaan sementara pada tarikh kunci kira-kira antara asas cukai bagi aset dan liabiliti dan jumlah yang dibawanya di dalam penyata kewangan. Pada dasarnya, liabiliti cukai tertunda diiktiraf bagi semua perbezaan sementara yang boleh dicukai dan aset cukai tertunda diiktiraf bagi semua perbezaan sementara yang boleh dikurangkan, kerugian cukai belum digunakan dan kredit cukai belum digunakan setakat mana keuntungan boleh dicukai mungkin tersedia yang mana perbezaan sementara boleh dikurangkan, kerugian cukai tidak digunakan dan kredit cukai tidak digunakan boleh digunakan. Cukai tertunda tidak diiktiraf jika perbezaan sementara timbul daripada muhibah atau muhibah negatif atau daripada pengiktirafan awal sesuatu aset atau liabiliti dalam urusanniaga yang bukan merupakan sebuah gabungan perniagaan dan pada masa urusanniaga, yang tidak memberi kesan kepada keuntungan perakaunan mahupun keuntungan boleh dicukai.

Cukai tertunda diukur pada kadar cukai yang dijangka akan digunakan dalam tempoh apabila aset direalisasi atau liabiliti dijelaskan, berasaskan kepada kadar cukai yang telah berkuatkuasa atau sebahagian besarnya dikuatkuasakan pada tarikh kunci kira-kira. Cukai tertunda diiktiraf di dalam penyata pendapatan, kecuali apabila ia timbul daripada urusanniaga yang diiktiraf secara langsung dalam ekuiti, di mana dalam hal tersebut cukai tertunda juga dicaj atau dikredit secara langsung ke dalam ekuiti, atau apabila ia timbul daripada suatu gabungan perniagaan yang merupakan pengambilalihan, di mana cukai tertunda dimasukkan ke dalam muhibah atau negatif muhibah yang terhasil.

(i) Manfaat Kakitangan

(i) Manfaat jangka pendek

Upah, gaji, bonus dan caruman keselamatan sosial diiktiraf sebagai perbelanjaan pada tahun perkhidmatan berkaitan diberi oleh kakitangan Kumpulan. Ketidakhadiran jangka pendek terkumpul bergaji seperti cuti tahunan bergaji diiktiraf oleh anak syarikat asing tertentu apabila perkhidmatan diberi oleh kakitangan yang meningkatkan lagi kelayakan mereka untuk menerima ketidakhadiran bergaji pada masa akan datang, dan ketidakhadiran bergaji tidak terkumpul jangka pendek seperti cuti sakit diiktiraf apabila ketidakhadiran tersebut berlaku.

2 DASAR-DASAR PERAKAUNAN PENTING (samb)

(i) Manfaat Kakitangan (samb)

(ii) Skim caruman tetap

Seperti yang ditetapkan oleh undang-undang, syarikat-syarikat di Malaysia membuat caruman kepada skim pencen negara, Kumpulan Wang Simpanan Pekerja ("KWSP"). Sesetengah anak syarikat asing Kumpulan membuat caruman kepada skim pencen berkanun negara masing-masing. Caruman tersebut diiktiraf sebagai perbelanjaan di dalam penyata pendapatan apabila ditanggung.

(iii) Ganjaran Pemberhentian

Kumpulan membayar ganjaran pemberhentian kerja yang berlaku dalam skim penyusunan semula. Ganjaran pemberhentian tersebut diiktiraf sebagai liabiliti dan perbelanjaan apabila Kumpulan mempunyai suatu rancangan formal yang terperinci dan secara realistik tidak mungkin akan ditarik balik.

(j) Pengiktirafan Hasil

Hasil diiktiraf apabila manfaat ekonomi yang berkaitan dengan urusanniaga tersebut mungkin akan mengalir masuk ke Kumpulan dan jumlah hasil boleh ditentukan dengan meyakinkan.

- (i) Hasil daripada restoran pizza diiktiraf di tempat jualan.
- (ii) Pendapatan dividen diiktiraf apabila hak untuk menerima bayaran ditentukan.
- (iii) Hasil lain diiktiraf berasaskan akruan atau apabila hak penerimaan ditentukan.

Jualan antara syarikat dikecualikan daripada hasil Kumpulan.

(k) Matawang Asing

(i) Urusniaga Matawang Asing

Urusniaga dalam matawang asing pada permulaannya dicatat dalam Ringgit Malaysia pada kadar pertukaran yang berkuatkuasa pada tarikh kunci kira-kira perkara berbentuk wang dalam matawang asing ditukar kepada Ringgit Malaysia pada kadar pertukaran yang berkuatkuasa pada tarikh tersebut. Perkara bukan berbentuk wang yang pada permulaannya dinominasi dalam matawang asing, yang dibawa pada kos masa lalu ditukar menggunakan kadar masa lalu pada tarikh urusanniaga dan perkara bukan berbentuk wang yang dibawa pada nilai saksama ditukar menggunakan kadar tukaran yang berkuatkuasa apabila nilai ditentukan.

Semua perbezaan kadar tukaran diambilkira kepada penyata pendapatan kecuali bagi perbezaan daripada pinjaman matawang asing yang menyediakan perlindungan nilai daripada pelaburan bersih di dalam entiti asing. Perbezaan pertukaran ini diambilkira secara langsung kepada ekuiti sehingga penjualan pelaburan bersih, di mana pada masa itu ia diiktiraf di dalam penyata pendapatan.

(ii) Entiti Asing

Penyata kewangan anak syarikat asing yang disatukan ditukar pada kadar akhir tahun berhubung dengan aset dan liabiliti, dan pada kadar pertukaran pada tarikh urusanniaga berhubung dengan penyata pendapatan. Semua perbezaan pertukaran yang terhasil dimasukkan ke dalam rizab tukaran asing dalam ekuiti pemegang saham.

Pelarasan muhibah dan nilai saksama yang timbul daripada pengambilalihan entiti asing diuruskan sebagai aset dan liabiliti Syarikat dan ditukar pada kadar pertukaran yang berkuatkuasa pada tarikh urusanniaga.

Kadar pertukaran utama yang digunakan bagi setiap unit matawang asing adalah seperti berikut:

	Kadar akhir tahun		Kadar purata	
	2004 RM	2003 RM	2004 RM	2003 RM
Singapura (S\$)	2.3455	2.2540	2.2527	2.1813

2 DASAR-DASAR PERAKAUNAN PENTING (samb)

(l) Kemerosotan Nilai Aset

Pada setiap tarikh kunci kira-kira, Kumpulan menyemak semula jumlah bawa asetnya untuk menentukan sama ada terdapat petunjuk kemerosotan nilai. Jika petunjuk sedemikian wujud, kemerosotan nilai ditentukan dengan membandingkan nilai bawa aset berkenaan dengan jumlah yang boleh diperolehi semula. Jumlah yang boleh diperolehi semula adalah kadar yang lebih tinggi antara harga jualan bersih dan nilai kegunaan, yang ditentukan dengan merujuk kepada aliran tunai masa hadapan yang didiskaunkan.

Kerugian kemerosotan nilai diiktiraf sebagai perbelanjaan di dalam penyata pendapatan dengan segera, kecuali jika aset tersebut dibawa pada jumlah yang dinilai semula. Sebarang kerugian kemerosotan nilai diuruskan sebagai pengurangan penilaian semula setakat mana sebarang lebihan penilaian semula yang diiktiraf sebelumnya tidak digunakan bagi aset yang sama.

(m) Instrumen Kewangan

Instrumen kewangan diiktiraf dalam kunci kira-kira apabila Kumpulan menjadi salah satu pihak yang diperuntukkan oleh kontrak instrumen berkenaan.

Instrumen kewangan dikelaskan sebagai liabiliti atau ekuiti menurut kandungan perjanjian kontrak. Faedah, dividen, keuntungan dan kerugian yang berkaitan dengan instrumen kewangan dikelaskan sebagai liabiliti, dilaporkan sebagai perbelanjaan atau pendapatan. Pengagihan kepada pemegang instrumen kewangan yang dikelaskan sebagai ekuiti dicaj secara langsung kepada ekuiti. Instrumen kewangan dikurangkan apabila Kumpulan mempunyai hak boleh laksana yang sah di sisi undang-undang untuk mengurangkan dan berhasrat untuk menjelaskan sama ada secara bersih atau untuk merealisasikan aset dan menjelaskan liabiliti secara serentak.

(i) Pelaburan Bukan Semasa Lain

Pelaburan bukan semasa bagi pelaburan selain daripada dalam anak syarikat dan bersekutu dinyatakan pada kos tolak kerugian kemerosotan nilai. Dasar bagi pengiktirafan dan penentuan kerugian kemerosotan nilai adalah selaras dengan Nota 2(l).

Apabila sesuatu pelaburan dijual, perbezaan antara kutipan penjualan bersih dan jumlah bawanya diiktiraf di dalam penyata pendapatan.

(ii) Perdagangan Akan Diterima

Bayaran perdagangan akan diterima dibawa pada nilai boleh realisasi yang dijangka. Suatu anggaran dibuat bagi hutang ragu berasaskan kepada semakan semula ke atas semua jumlah tertunggak pada tarikh kunci kira-kira.

(iii) Perdagangan Akan Dibayar

Perdagangan akan dibayar dinyatakan pada kos yang merupakan nilai saksama pertimbangan yang akan dibayar pada masa akan datang bagi barangan dan perkhidmatan yang diterima.

(iv) Pinjaman Dikenakan Faedah

Pinjaman dan overdraf bank yang dikenakan faedah dicatat pada jumlah kutipan yang diterima, ditolak kos urusniaga.

Kos pinjaman yang berkaitan secara langsung dengan pengambilalihan dan pembinaan hartanah pembangunan dan hartanah, loji dan peralatan dipermodalkan sebagai sebahagian daripada kos aset berkenaan, sehingga masa tertentu apabila aset tersebut sedia untuk kegunaannya atau dijual. Semua kos pinjaman lain diiktiraf sebagai perbelanjaan dalam penyata pendapatan pada tempoh ia ditanggung.

(v) Instrumen Ekuiti

Saham biasa dikelaskan sebagai ekuiti. Dividen daripada saham biasa diiktiraf dalam ekuiti pada tempoh ia diisytiharkan dan diluluskan oleh para pemegang saham.

Kos urusniaga sesuatu urusniaga ekuiti diambilkira sebagai pengurangan daripada ekuiti, ditolak cukai. Kos urusniaga ekuiti hanya meliputi kos pertambahan luaran yang berkaitan dengan urusniaga ekuiti tersebut secara langsung, yang sepatutnya boleh dielakkan.

2 DASAR-DASAR PERAKAUNAN PENTING (samb)

(v) Instrumen Ekuiti (samb)

Pertimbangan yang dibayar, termasuk sebarang kos urusanniaga berkaitan daripada pembelian semula saham biasa Syarikat yang tidak dibatalkan, dikelaskan sebagai saham perbendaharaan dan dibentangkan sebagai pengurangan daripada ekuiti. Tiada keuntungan atau kerugian yang diiktiraf dalam penyata pendapatan daripada penjualan, penerbitan semula atau pembatalan saham perbendaharaan. Apabila saham perbendaharaan diterbitkan semula melalui jualan semula, perbezaan antara pertimbangan jualan dan jumlah bawa saham perbendaharaan tersebut diiktiraf di dalam ekuiti.

3 HASIL

Hasil Kumpulan dan Syarikat meliputi berikut:

	Kumpulan 1.4.2004 hingga 31.12.2004 RM'000	Syarikat 1.1.2004 hingga 31.12.2004 RM'000	20.11.2002 hingga 31.12.2003 RM'000
Jualan barangan	262,796	–	–
Yuran pengurusan daripada anak syarikat	–	1,400	–
	262,796	1,400	–

Hasil bagi Kumpulan mewakili wang tunai dan jumlah yang dicaj bagi jualan barangan dan perkhidmatan yang diberi selepas membolehkan diskaun jualan dan pulangan dan tidak termasuk urusanniaga dalam kumpulan.

4 KOS JUALAN

Kos jualan mewakili kos inventori yang dijual.

5 KEUNTUNGAN/(KERUGIAN) DARIPADA OPERASI

	Kumpulan 1.4.2004 hingga 31.12.2004 RM'000	Syarikat 1.1.2004 hingga 31.12.2004 RM'000	20.11.2002 hingga 31.12.2003 RM'000
Keuntungan/(kerugian) daripada operasi dinyatakan selepas dicaj:			
Kos kakitangan (Nota 6)	62,043	1,196	–
Ganjaran Pengarah Bukan Eksekutif (Nota 7)	60	60	–
Bayaran juruaudit			
– audit berkanun	125	25	1
– lain-lain perkhidmatan	294	247	–
Pelunasan bagi yuran francais	394	–	–
Susutnilai (Nota 12)	12,620	–	–
Sewa tanah dan bangunan			
– syarikat bersekutu	368	–	–
– lain-lain	26,898	–	–
Yuran pengurusan akan dibayar kepada syarikat bersekutu	4,120	–	–
Kerugian daripada penjualan hartanah, loji dan peralatan	467	–	–

dan dikreditkan:

Dividen kasar			
– syarikat bersekutu	6,866	404	–
– pelaburan	–	69,444	–
Faedah akan diterima			
– deposit dengan bank berlesen dan institusi kewangan	568	57	–
Keuntungan daripada penjualan pelaburan	113,930	63,930	–

Nota-Nota Kepada Penyata Kewangan

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6 KOS KAKITANGAN

	Kumpulan 1.4.2004 hingga 31.12.2004 RM'000	Syarikat 1.1.2004 hingga 31.12.2004 RM'000	20.11.2002 hingga 31.12.2003 RM'000
Upah dan gaji	42,364	720	–
Kos keselamatan sosial	394	–	–
Pelan caruman bertakrif	6,130	156	–
Perbelanjaan lain berkaitan kakitangan	13,155	320	–
	62,043	1,196	–

Termasuk dalam kos kakitangan Kumpulan dan Syarikat adalah ganjaran Pengarah Eksekutif masing-masing berjumlah RM1,399,000 dan RM1,196,000 (2003: Tiada) seperti yang selanjutnya dinyatakan dalam Nota 7.

7 GANJARAN PENGARAH

	Kumpulan 1.4.2004 hingga 31.12.2004 RM'000	Syarikat 1.1.2004 hingga 31.12.2004 RM'000	20.11.2002 hingga 31.12.2003 RM'000
Para Pengarah Syarikat			
Eksekutif:			
Gaji dan emolumen lain	876	876	–
Yuran	203	–	–
Bonus	320	320	–
	1,399	1,196	–
Bukan Eksekutif:			
Yuran	60	60	–
Analisis tidak meliputi manfaat bukan berbentuk wang:			
Jumlah ganjaran Pengarah Eksekutif (Nota 6)	1,399	1,196	–
Jumlah ganjaran Pengarah Bukan Eksekutif (Nota 5)	60	60	–
Jumlah ganjaran para Pengarah	1,459	1,256	–

Bilangan Pengarah Syarikat yang mana jumlah ganjaran mereka termasuk dalam kumpulan berikut dianalisis seperti di bawah:

	Bilangan Pengarah	
	2004	2003
Pengarah Eksekutif:		
RM600,001 – RM700,000	2	–
Pengarah Bukan Eksekutif:		
Kurang daripada RM50,000	3	–

8 KOS KEWANGAN

	Kumpulan 1.4.2004 hingga 31.12.2004 RM'000	Syarikat 1.1.2004 hingga 31.12.2004 RM'000	20.11.2002 hingga 31.12.2003 RM'000
Faedah akan dibayar			
– pinjaman berjangka dan lain-lain	5,725	4,241	–

9 CUKAI

	Kumpulan 1.4.2004 hingga 31.12.2004 RM'000	Syarikat 1.1.2004 hingga 31.12.2004 RM'000	20.11.2002 hingga 31.12.2003 RM'000
Perbelanjaan cukai bagi tahun:			
- Cukai pendapatan Malaysia	4,115	18,400	-
Lebihan peruntukan tahun-tahun terdahulu:			
- Cukai pendapatan Malaysia	(331)	-	-
- Cukai asing	(73)	-	-
	3,711	18,400	-
Cukai tertunda: (Nota 25)			
Berkaitan dengan asal dan pembalikan perbezaan sementara	1,417	-	-
Bahagian cukai:			
Syarikat-syarikat bersekutu	3,606	-	-
	8,734	18,400	-

Kadar cukai berkesan bagi Kumpulan adalah lebih tinggi daripada kadar berkanun terutamanya disebabkan oleh pendapatan tertentu tidak tertakluk kepada cukai dan perbelanjaan tertentu tidak boleh dikurangkan untuk tujuan cukai.

Cukai pendapatan dalam negeri dikira pada kadar cukai berkanun Malaysia sebanyak 28% (2003: 28%) daripada keuntungan boleh taksir yang dianggarkan bagi tahun ini. Cukai bagi undang-undang lain dikira pada kadar yang berkuatkuasa di bawah undang-undang negara tersebut.

Penyesuaian semula perbelanjaan cukai pendapatan yang boleh digunakan kepada keuntungan sebelum cukai pada kadar cukai pendapatan berkanun pada kadar cukai pendapatan berkesan bagi Kumpulan dan Syarikat adalah seperti berikut:

	Kumpulan 1.4.2004 hingga 31.12.2004 RM'000	Syarikat 1.1.2004 hingga 31.12.2004 RM'000	20.11.2002 hingga 31.12.2003 RM'000
Kumpulan			
Keuntungan sebelum cukai	140,958	123,939	-
Cukai pada kadar cukai berkanun Malaysia sebanyak 28% (2003: 28%)	39,468	34,703	-
Kesan daripada kadar cukai berbeza di negara lain	41	-	-
Perbelanjaan tidak boleh dikurangkan bagi tujuan cukai	2,345	1,598	-
Pendapatan tidak tertakluk kepada cukai	(31,865)	(17,901)	-
Lebihan peruntukan daripada cukai tertunda pada tahun terdahulu	(851)	-	-
Lebihan peruntukan pada tahun terdahulu	(404)	-	-
Perbelanjaan cukai bagi tahun	8,734	18,400	-

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10 PENDAPATAN SESAHAM

(a) Asas

Pendapatan sesaham asas dikira dengan membahagikan keuntungan bersih bagi tahun dengan bilangan purata berwajaran saham biasa dalam terbitan pada tahun kewangan ini.

	Kumpulan 2004
Keuntungan bersih bagi tahun (RM'000)	132,224
Bilangan purata berwajaran saham biasa dalam terbitan ('000)	151,128
Pendapatan asas sesaham (sen)	87.49

(b) Dicairkan

Pendapatan sesaham dicairkan sepenuhnya bagi tahun ini dikira menggunakan bilangan purata berwajaran saham yang diperbesarkan selepas kemasukan bilangan waran tertunggak yang belum dilaksanakan pada 31 Disember 2004 sebanyak 49,101,563.

	Kumpulan 2004
Keuntungan bersih bagi tahun (RM'000)	132,224
Bilangan purata berwajaran saham biasa dalam terbitan ('000)	151,128
Pelarasan bagi waran yang diandai dilaksanakan ('000)	21,003
Pelarasan bilangan purata berwajaran saham biasa dalam terbitan dan akan diterbitkan ('000)	172,131
Pendapatan sesaham dicairkan (sen)	76.82

(c) Skim Pilihan Saham Kakitangan ("ESOS")

ESOS telah diluluskan oleh Bursa Malaysia dan berkuatkuasa pada 8 Julai 2004. Pada tarikh laporan ini, Skim ini sedang dilaksanakan.

11 DIVIDEN

	Kumpulan/Syarikat			
	Jumlah		Dividen Bersih Sesaham	
	2004	2003	2004	2003
	RM'000	RM'000	Sen	Sen
Dividen pertama dan akhir sebanyak 4 sen ditolak 28% cukai daripada 196,698,439 saham biasa	5,665	–	2.88	–

Di Mesyuarat Agung Tahunan akan datang, dividen pertama dan akhir bagi tahun kewangan berakhir 31 Disember 2004 sebanyak 4 sen ditolak 28% cukai sesaham daripada 196,698,439 saham biasa, menjadikan dividen akan dibayar berjumlah RM5,664,915 (2.88 sen bersih sesaham) akan dicadangkan untuk kelulusan para pemegang saham.

Penyata kewangan tahun kewangan semasa tidak menunjukkan dividen yang dicadangkan ini. Dividen tersebut jika diluluskan oleh para pemegang saham akan diambil kira dalam ekuiti pemegang saham sebagai pembahagian keuntungan tersimpan pada tahun kewangan berakhir 31 Disember 2005.

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12 HARTANAH, LOJI DAN PERALATAN

Kumpulan	Tanah milik bebas RM'000	Tanah pegangan pajakan jangka panjang RM'000	Bangunan RM'000	Peningkatan pegangan pajakan dan pengubah- suaian RM'000	Kenderaan bermotor RM'000	Peralatan restoran dan pejabat RM'000	Jumlah RM'000
Kos							
Pada 1 Januari 2004	-	-	-	-	-	-	-
Pengambilalihan anak syarikat	408	597	8,151	52,619	4,072	79,252	145,099
Tambahan	-	-	-	8,667	356	13,907	22,930
Penjualan	-	-	(4,733)	(4,032)	(178)	(3,258)	(12,201)
Pada 31 Disember 2004	408	597	3,418	57,254	4,250	89,901	155,828
Susutnilai Berkumpul							
Pada 1 Januari 2004	-	-	-	-	-	-	-
Pengambilalihan anak syarikat	-	-	479	28,854	2,697	34,390	66,420
Caj bagi tahun	-	-	3	6,303	372	5,942	12,620
Penjualan	-	-	(187)	(3,445)	(173)	(3,145)	(6,950)
Pada 31 Disember 2004	-	-	295	31,712	2,896	37,187	72,090
Nilai Buku Bersih							
Pada 31 Disember 2004	408	597	3,123	25,542	1,354	52,714	83,738

13 PELABURAN DALAM ANAK SYARIKAT

	Syarikat	
	2004 RM'000	2003 RM'000
Saham tidak tercatat pada kos	115,346	-

Butir-butir mengenai anak syarikat adalah seperti berikut:

Nama anak syarikat	Negara Diperbadankan	Peratus pegangan ekuiti berkesan		Aktiviti
		2004 %	2003 %	
C.I. Enterprise Sdn Bhd	Malaysia	100	-	(b)
Pizza Hut Holdings (Malaysia) Sdn Bhd	Malaysia	100	-	(b)
Pizza Hut Restaurants Sdn Bhd @	Malaysia	100	-	(a)
PH Property Holdings Sdn Bhd @	Malaysia	100	-	(b)
Multibrand QSR Holdings Pte Ltd * @	Singapura	100	-	(b)
Pizza Hut Singapore Pte Ltd * @	Singapura	100	-	(a)
PH Properties Sdn Bhd @	Malaysia	100	-	Tidak Aktif

* Diaudit oleh syarikat gabungan Ernst & Young
@ Pelaburan ini dipegang melalui anak syarikat lain

Aktiviti-aktiviti utama anak syarikat adalah dalam operasi

- (a) Restoran pizza; dan
- (b) Pegangan pelaburan.

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13 PELABURAN DALAM ANAK SYARIKAT (samb)

Pengambilalihan Anak Syarikat

Selepas Skim Penyusunan Semula selesai pada 1 April 2004, Kumpulan telah mengambilalih seluruh kepentingan ekuiti dalam Pizza Hut Holdings (Malaysia) Sdn Bhd dengan pertimbangan tunai berjumlah RM115 juta.

Sebagai sebahagian daripada Skim Penyusunan Semula, Kumpulan telah mengambilalih seluruh kepentingan ekuiti dalam C.I. Enterprise Sdn Bhd ("CIE") untuk pertimbangan tunai sebanyak RM1.00 dan andaian jumlah dihutang oleh CIE kepada C.I. Holdings Berhad, bekas syarikat induk, sebanyak RM198 juta pada 1 April 2004.

Pengambilalihan ini mempunyai kesan berikut ke atas keputusan kewangan Kumpulan bagi tahun ini:

	2004 RM'000
Hasil	262,796
Keuntungan daripada operasi	19,361
Keuntungan bersih bagi tahun	13,075

Pengambilalihan ini mempunyai kesan berikut ke atas kedudukan kewangan Kumpulan pada akhir tahun:

	2004 RM'000
Hartanah, loji dan peralatan	83,738
Yuran francais	6,113
Inventori	12,895
Pelaburan dalam syarikat bersekutu	298,035
Perdagangan akan diterima	1,217
Bayaran lain akan diterima	13,199
Deposit tetap	21,500
Wang tunai dan baki bank	6,557
Perdagangan akan dibayar	(13,913)
Jumlah dihutang kepada syarikat bersekutu	(11,906)
Jumlah dihutang kepada syarikat induk	(258,614)
Pembayaran lain	(26,705)
Pinjaman bank	(35,651)
Liabiliti cukai tertunda	(5,326)
Cukai	(110)
Bahagian Kumpulan daripada aset bersih	91,029

13 PELABURAN DALAM ANAK SYARIKAT (samb)

Pengambilalihan Anak Syarikat (samb)

Nilai saksama aset yang diambilalih dan liabiliti yang ditanggung daripada pengambilalihan subsidiari tersebut adalah seperti berikut:

	1 April 2004 RM'000
Hartanah, loji dan peralatan	78,679
Yuran francais	5,018
Muhibah daripada penyatuan	28,013
Pelaburan dalam syarikat bersekutu	291,000
Inventori	7,461
Perdagangan akan diterima	1,468
Bayaran lain akan diterima	10,909
Cukai diperolehi semula	658
Deposit tetap	9,500
Tunai dan baki bank	6,841
Perdagangan akan dibayar	(12,656)
Bayaran lain	(19,628)
Jumlah dihutang kepada syarikat berkaitan	(270,028)
Pinjaman berjangka	(40,572)
Liabiliti cukai tertunda	(3,909)
Bahagian Kumpulan daripada aset bersih	92,754
Muhibah daripada penyatuan	22,592
Kos pengambilalihan (termasuk perbelanjaan berkaitan RM346,000)	115,346
Pertimbangan pembelian dipenuhi secara:	
Tunai	115,346
Jumlah kos pengambilalihan	115,346
Aliran keluar tunai yang timbul daripada pengambilalihan:	
Pertimbangan pembelian dipenuhi secara tunai	115,346
Tunai dan bersamaan tunai subsidiari yang diambilalih	(16,341)
Aliran keluar tunai bersih Kumpulan	99,005

Tidak ada pengambilalihan pada tahun kewangan berakhir 31 Disember 2003.

14 PELABURAN DALAM SYARIKAT BERSEKUTU

	Kumpulan 2004 RM'000	Syarikat 2004 RM'000	2003 RM'000
Saham tercatat pada kos - Malaysia	318,057	27,057	-
Bahagian rizab selepas pengambilalihan	7,035	-	-
	325,092	27,057	-
Nilai pasaran saham tercatat	231,569	27,223	-
Pelaburan Kumpulan dalam syarikat-syarikat bersekutu meliputi:			
Bahagian daripada aset bersih	152,702	-	-
Bahagian daripada muhibah dalam syarikat-syarikat bersekutu	172,390	-	-
	325,092	-	-

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14 PELABURAN DALAM SYARIKAT BERSEKUTU (samb)

Butir-butir mengenai syarikat-syarikat bersekutu adalah seperti berikut:

Nama Syarikat Bersekutu	Negara Diperbadankan	Peratus pegangan ekuiti berkesan		Aktiviti
		2004 %	2003 %	
KFC Holdings (Malaysia) Bhd*	Malaysia	32.6	–	(n)
KFC Restaurants Holdings Sdn Bhd	Malaysia	32.6	–	(n)
KFC (Peninsular Malaysia) Sdn Bhd	Malaysia	32.6	–	(a), (j) & (n)
Kentucky Fried Chicken (Malaysia) Sendirian Berhad	Malaysia	32.6	–	(a)
Asbury's (Malaysia) Sdn Bhd	Malaysia	32.6	–	(a)
KFC (East Malaysia) Sdn Bhd	Malaysia	32.6	–	(n)
KFC (Sarawak) Sdn Bhd	Malaysia	32.6	–	(a)
Havprime Sdn Bhd	Malaysia	32.6	–	(n)
Signature Chef Foodservice & Catering Sdn Bhd	Malaysia	32.6	–	(m) & (n)
KFC Manufacturing Sdn Bhd	Malaysia	32.6	–	(i) & (k)
KFC Integrated Poultry Industry Sdn Bhd	Malaysia	32.6	–	(f), (g), (h) & (n)
Helix Investments Limited*	Hong Kong	32.6	–	(n)
Ladang Ternakan Putihekar (N.S.) Sdn Bhd	Malaysia	32.6	–	(f)
Pan-Tiara Corporation Sdn Bhd	Malaysia	32.6	–	(n)
Rangeview Sdn Bhd	Malaysia	32.6	–	(m)
Chippendales (M) Sdn Bhd	Malaysia	32.6	–	(m)
SPM Restaurants Sdn Bhd	Malaysia	32.6	–	(m)
Signature Chef Dining Services Sdn Bhd	Malaysia	32.6	–	(b)
WP Properties Holdings Sdn Bhd	Malaysia	32.6	–	(m) & (n)
Wangsa Progresi Sdn Bhd	Malaysia	32.6	–	(m)
WQSR Holdings (S) Pte Ltd*	Singapura	32.6	–	(n)
Kentucky Fried Chicken Management Pte Ltd*	Singapura	32.6	–	(a)
MH Integrated Farm Berhad	Malaysia	32.6	–	(m)
Ayamas Food Corporation Bhd	Malaysia	32.6	–	(c) & (n)
Kedai Ayamas Sdn Bhd	Malaysia	32.6	–	(d)
Rayaplex Sdn Bhd	Malaysia	32.6	–	(n)
Ayamas Food Corporation (S) Pte. Ltd.*	Singapura	32.6	–	(e)
Ayamas Marketing (M) Sdn Bhd	Malaysia	32.6	–	(n)
Rasa Ayamas Sdn Bhd	Malaysia	32.6	–	(b)
AFCB Properties Sdn Bhd	Malaysia	32.6	–	(n)
Pintas Tiara Sdn Bhd	Malaysia	32.6	–	(m)
SBC Coffee Holdings Sdn Bhd	Malaysia	32.6	–	(n)
KFC (Sabah) Sdn Bhd*	Malaysia	29.4	–	(a)
Integrated Poultry Industry Sdn Bhd	Malaysia	27.7	–	(c)
Region Food Industries Sdn Bhd	Malaysia	22.8	–	(l)
KFC (B) Sdn Bhd*	Brunei Darussalam	14.9	–	(a)

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14 PELABURAN DALAM SYARIKAT BERSEKUTU (samb)

Nama Syarikat Bersekutu	Negara Diperbadankan	Peratus pegangan ekuiti berkesan		Aktiviti
		2004 %	2003 %	
Rasa Sayang Holdings Limited	British Virgin Island	32.6	–	Tidak aktif
Idmidton Resources Limited	British Virgin Island	32.6	–	Tidak aktif
Bakers' Street Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Signature Chef Catercare Sdn Bhd	Malaysia	32.6	–	Tidak aktif
KFC Technical Services Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Roaster's Chicken Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Kentucky Trading Sdn Bhd	Malaysia	32.6	–	Tidak aktif
KFC Agrotech Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Signature Chef Holdings Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Sterling Distinction Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Aspirasi Bintang Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Bintang Ikhtisas Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Edgelink Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Supreme Majestic Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Restoran Sabang Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Seattle's Best Coffee Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Farm's Choice Marketing (M) Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Ayamas Franchise Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Ayamas Contract Farming Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Ayamas Farms & Hatchery Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Ayamas Feedmill Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Rasa Gourmet Sdn Bhd	Malaysia	32.6	–	Tidak aktif
Hiei Food Industries Sdn Bhd	Malaysia	26.4	–	Tidak aktif
Yes Gelato Sdn Bhd	Malaysia	26.1	–	Tidak aktif

Aktiviti utama syarikat-syarikat bersekutu adalah dalam operasi:

- | | |
|--|---|
| (a) restoran khidmat segera; | (h) kilang memproses makanan ayam; |
| (b) restoran; | (i) perdagangan dalam barang gunaan ; |
| (c) pemprosesan ayam dan kilang pemprosesan selanjutnya; | (j) komisiari; |
| (d) rantaian kedai makanan serbaneka; | (k) kilang roti; |
| (e) perdagangan produk ayam; | (l) kilang pembuatan sos dan campuran bahan perasa; |
| (f) ladang ternakan ayam; | (m) pegangan hartanah; dan |
| (g) penetasan; | (n) pegangan pelaburan. |

* Diaudit oleh firma gabungan Ernst & Young

^ Disenaraikan di Papan Utama Bursa Malaysia Securities Berhad

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15 ASET TIDAK KETARA

Kumpulan 2004	Muhibah daripada Penyatuan RM'000	Yuran Francais RM'000	Jumlah RM'000
Pada 1 Januari	–	–	–
Pengambilalihan anak-anak syarikat	50,605	5,018	55,623
Tambahan	–	1,489	1,489
Pelunasan	–	(394)	(394)
Pada 31 Disember	50,605	6,113	56,718

16 INVENTORI

	Kumpulan 2004 RM'000
Pada kos	
Stok perdagangan	12,638
Alat ganti	257
	12,895

17 BAYARAN PERDAGANGAN AKAN DITERIMA

Tempoh kredit perdagangan biasa Kumpulan adalah antara 30 hingga 90 hari. Tempoh kredit lain ditaksir dan diluluskan mengikut kes.

Kumpulan tidak mempunyai penumpuan ketara risiko kredit yang mungkin timbul daripada pendedahan kepada penghutang tunggal atau kepada kumpulan penghutang tertentu.

18 BAYARAN LAIN AKAN DITERIMA

	Kumpulan 2004 RM'000	Syarikat 2004 RM'000	2003 RM'000
Pendahuluan kepada anak-anak syarikat	–	258,614	–
Penerimaan runcit	2,183	1,012	–
Bayaran awal	3,365	1,250	–
Deposit	9,913	–	–
Cukai diperolehi semula	1,047	1,157	–
	16,508	262,033	–

Pendahuluan kepada subsidiari adalah tidak bercagar, dikenakan faedah dan tidak mempunyai tempoh bayaran balik yang tetap.

Kumpulan tidak mempunyai penumpuan ketara risiko kredit yang mungkin timbul daripada pendedahan kepada penghutang tunggal atau kepada kumpulan penghutang tertentu.

19 TUNAI DAN BERSAMAAN TUNAI

	Kumpulan 2004 RM'000	Syarikat 2004 RM'000	2003 RM'000
Wang tunai dalam tangan dan di bank	7,263	706	5
Deposit dengan institusi kewangan berlesen	22,538	1,038	–
Tunai dan bersamaan tunai	29,801	1,744	5

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19 TUNAI DAN BERSAMAAN TUNAI (samb)

Kadar faedah purata berwajaran Kumpulan pada tahun kewangan ini dan kematangan purata deposit pada 31 Disember 2004 adalah seperti berikut:

	Kadar Faedah %	Kematangan Purata Hari
Institusi kewangan berlesen	2.75	30

20 PERDAGANGAN AKAN DIBAYAR

Tempoh kredit perdagangan biasa yang diberi kepada Kumpulan adalah dari 30 hingga 60 hari.

21 PEMBAYARAN LAIN

	Kumpulan 2004 RM'000	Syarikat 2004 RM'000	2003 RM'000
Jumlah dihutang kepada syarikat bersekutu	11,906	–	–
Pembayaran runcit	13,306	–	74
Akruan	5,660	213	2
Liabiliti bayaran gaji	6,004	240	–
Duti dan cukai lain akan dibayar	3,022	–	–
	39,898	453	76

22 PINJAMAN BANK

	Kumpulan 2004 RM'000	Syarikat 2004 RM'000	2004 RM'000
Pinjaman Jangka Pendek			
Bercagar:			
Pinjaman lain	7,479	7,479	–
Tidak Bercagar:			
Pinjaman berjangka	101,629	96,000	–
	109,108	103,479	–
Pinjaman Jangka Panjang			
Tidak Bercagar:			
Pinjaman berjangka	30,022	–	–
Jumlah Pinjaman			
Bercagar:			
Pinjaman lain	7,479	7,479	–
Tidak Bercagar:			
Pinjaman berjangka	131,651	96,000	–
	139,130	103,479	–
Kematangan Pinjaman			
Dalam tempoh satu tahun	109,108	103,479	–
Lebih dari 1 tahun dan kurang dari 2 tahun	7,505	–	–
Lebih dari 2 tahun dan kurang dari 5 tahun	22,517	–	–
	139,130	103,479	–

Pinjaman lain dicagar oleh saham tercatat tertentu dalam syarikat bersekutunya.

Kadar berkesan purata berwajaran setahun Kumpulan dan Syarikat pada tahun kewangan ini bagi pinjaman berjangka adalah masing-masing pada kadar 5.53% dan 5.60% setahun.

Nota-Nota Kepada Penyata Kewangan

31 Disember 2004 (samb)

23 MODAL SAHAM

	Bilangan saham biasa Saham berharga RM1 sesaham		Jumlah	
	2004 '000	2003 '000	2004 RM'000	2003 RM'000
Dibenarkan				
Pada 1 Januari/tarikh perbadanan	1,000,000	100	1,000,000	100
Diwujudkan pada tahun/tempoh ini	–	999,900	–	999,900
Pada 31 Disember	1,000,000	1,000,000	1,000,000	1,000,000
Diterbit dan dibayar penuh				
Pada 1 Januari/tarikh perbadanan	*	*	*	*
Diterbitkan pada tahun ini				
– pertukaran saham dan waran	196,070	–	196,070	–
– pertukaran waran	628	–	628	–
Pada 31 Disember	196,698	–	196,698	*

* Menunjukkan RM2

Pada tahun kewangan ini, Syarikat telah menambah modal saham diterbitkan dan dibayarnya daripada RM2 kepada RM196,698,439 melalui:

- penerbitan sebanyak 196,069,503 saham biasa baru berharga RM1.00 sesaham berserta dengan sebanyak 49,730,497 waran baru melalui Pertukaran Saham dan Waran, yang menjadi sebahagian daripada Skim Penyusunan Semula;
- penerbitan sebanyak 628,934 saham biasa baru berharga RM1.00 sesaham berikutan penukaran sebanyak 628,934 waran pada harga pelaksanaan RM1.13 sesaham.

Saham biasa baru yang diterbitkan pada tahun ini ditaraf pari passu dalam semua aspek dengan saham biasa sedia ada Syarikat.

Waran 2004/2007

Sejumlah 49,730,497 waran telah diterbitkan oleh Syarikat selaras dengan Pertukaran Saham dan Waran. Setiap waran memberikan hak kepada pemegangnya untuk melanggan saham biasa baru berharga RM1.00 sesaham dalam Syarikat pada harga pelaksanaan seperti berikut:

- RM1.13 sesaham biasa baru bagi tempoh dari 25 Mac 2004 hingga 24 Januari 2005; atau
- RM1.19 sesaham biasa baru bagi tempoh dari 25 Januari 2005 hingga 24 Januari 2007.

Pada akhir tahun ini, bilangan waran tertunggak adalah 49,101,563.

Skim Pilihan Saham Kakitangan ("ESOS")

ESOS telah diluluskan oleh Suruhanjaya Sekuriti dan berkuatkuasa pada 8 Julai 2004. Pada tarikh laporan ini, skim ini sedang dilaksanakan.

24 RIZAB

		Kumpulan	Syarikat	
		2004 RM'000	2004 RM'000	2003 RM'000
Premium saham	(a)	82	82	–
Rizab perbezaan	(b)	(397)	–	–
Keuntungan tersimpan/(kerugian terkumpul)	(c)	132,153	105,468	(71)
		131,838	105,550	(71)

Perubahan dalam setiap kategori rizab dinyatakan dalam penyata perubahan ekuiti.

24 RIZAB (samb)

Bentuk dan tujuan setiap kategori rizab adalah seperti berikut:

(a) Premium saham

Rizab ini meliputi premium yang dibayar untuk langganan saham dalam Syarikat melebihi dan di atas nilai tara saham.

(b) Rizab perbezaan pertukaran

Rizab tukaran matawang asing meliputi semua perbezaan pertukaran asing yang timbul daripada pertukaran penyata kewangan anak syarikat asing serta daripada pertukaran pinjaman dalam matawang asing yang digunakan untuk membiayai pelaburan di dalam anak syarikat asing.

(c) Keuntungan tersimpan

Ini meliputi keputusan kumulatif Kumpulan dan Syarikat selepas ditolak cukai. Pada 31 Disember 2004, Syarikat tidak mempunyai kredit cukai yang mencukupi di bawah Seksyen 108 Akta Cukai Pendapatan 1967 untuk menjelaskan dividen berjumlah RM47,280,000 daripada seluruh keuntungan tersimpan. Jika baki keuntungan tersimpan sebanyak RM58,187,317 diagihkan sebagai dividen sebelum mempunyai kredit mencukupi, Syarikat akan mengalami kekurangan di bawah Seksyen 108 kira-kira RM22,628,401.

Kumpulan mempunyai baki dalam akaun dikecualikan cukai yang tersedia untuk digunakan bagi pengagihan rizab sebagai dividen dikecualikan cukai berjumlah kira-kira RM8,186,000, tertakluk kepada persetujuan Lembaga Hasil Dalam Negeri.

25 CUKAI TERTUNDA

	Kumpulan 2004 RM'000
Pada 1 Januari	–
Diiiktiraf di dalam penyata pendapatan	1,417
Pengambilalihan anak-anak syarikat	3,909
Pada 31 Disember	5,326
Dibentangkan selepas pengurangan yang sesuai seperti berikut:	
Liabiliti cukai tertunda	5,326

Komponen dan perubahan liabiliti dan aset cukai tertunda pada tahun kewangan ini sebelum pengurangan adalah seperti berikut:

Liabiliti Cukai Tertunda Kumpulan:

	Peruntukan Modal Dipertingkatkan RM'000
Pada 1 Januari 2004	–
Pengambilalihan anak-anak syarikat	3,909
Diiiktiraf di dalam penyata pendapatan	1,417
Pada 31 Disember 2004	5,326

Nota-Nota Kepada Penyata Kewangan

31 Disember 2004 (samb)

26 LIABILITI LUARJANGKA

	Syarikat	
	2004 RM'000	2003 RM'000
Tidak Bercagar		
Jaminan bank kepada pihak ketiga	–	198,000
Jaminan korporat bagi pihak pelbagai institusi kewangan bagi kemudahan kredit yang diberi kepada anak syarikat tertentu	39,204	–

27 URUSNIAGA PIHAK BERKAITAN PENTING

	Kumpulan 2004 RM'000
Urusniaga pihak berkaitan penting selain daripada yang didedahkan di dalam penyata kewangan ini adalah seperti berikut:	
Pembelian barangan daripada sebuah perbadanan di mana dua Pengarah Syarikat dianggap mempunyai kepentingan	
– Permanis Sandilands Sdn Bhd	3,229
Pembelian barangan daripada syarikat-syarikat bersekutu	
– Ayamas Food Corporation Bhd	10,589
– KFC Manufacturing Sdn Bhd	21,656
– KFC (Peninsular Malaysia) Sdn Bhd	1,035
– Region Food Industries Sdn Bhd	23
	33,303

Para Pengarah berpendapat bahawa semua urusniaga di atas telah dijalankan dalam perjalanan biasa perniagaan dan telah dilaksanakan berasaskan terma dan syarat yang tidak banyak berbeza daripada urusniaga yang dijalankan oleh pihak-pihak tidak berkaitan.

28 PERISTIWA PENTING

Pada 20 Disember 2002, Syarikat telah melaksanakan skim penyusunan semula yang melibatkan KFC Holdings (Malaysia) Bhd ("KFCH"), C.I. Holdings Berhad ("CIH"), Ayamas Food Corporation Bhd ("AFCB") dan Syarikat dalam pelbagai bentuk untuk menyusun semula struktur kumpulan syarikat-syarikat berkenaan ("Skim").

Skim ini telah diluluskan oleh pihak berkuasa berkaitan dan para pemegang saham Syarikat dan telah diselesaikan pada 1 April 2004, kecuali bagi (f) di bawah yang diselesaikan pada 3 Jun 2004.

Skim tersebut melibatkan berikut:

(a) Pertukaran Saham dan Waran

Semua saham biasa berharga RM1.00 sesaham dalam AFCB, yang mewakili seluruh kepentingan ekuiti di dalamnya, dan semua Waran AFCB telah ditukar dengan saham dan waran baru Syarikat, dikreditkan sebagai berbayar penuh, berasaskan satu Saham Syarikat yang baru bagi setiap satu Saham AFCB sedia ada yang dipegang, dan satu Waran Syarikat bagi setiap satu Waran AFCB sedia ada yang dipegang;

(b) Pindahan Penyenaiaan

Status penyenaiaan AFCB telah dipindahkan kepada Syarikat di mana Saham dan Waran AFCB telah ditarik balik penyenaiaannya daripada Papan Utama Bursa Malaysia Securities Berhad;

(c) Penjualan AFCB

Syarikat menjual dan KFCH mengambilalih seluruh kepentingan ekuiti dalam AFCB, yang meliputi sehingga 196,069,503 Saham AFCB dan 49,730,497 Waran (apabila Pertukaran Saham dan Waran dan Pindahan Penyenaiaan diselesaikan) untuk pertimbangan tunai sebanyak RM260 juta;

28 PERISTIWA PENTING (samb)

(d) Pengambilalihan Pizza Hut Holdings (Malaysia) Sdn Bhd

Syarikat mengambilalih dan KFCH menjual seluruh kepentingan ekuiti dalam Pizza Hut Holdings (Malaysia) Sdn Bhd, yang meliputi 40,000,000 saham biasa berharga RM1.00 sesaham, untuk pertimbangan tunai sebanyak RM115 juta;

(e) Pengambilalihan C.I. Enterprise Sdn Bhd

Syarikat mengambilalih dan CIH menjual seluruh kepentingan ekuiti dalam C.I. Enterprise Sdn Bhd, yang meliputi 300,000 saham biasa berharga RM1.00 sesaham, untuk pertimbangan tunai sebanyak RM1 dan andaian oleh Syarikat bahawa jumlah terhutang kepada CIH sebanyak RM198 juta;

(f) Tawaran bagi Jualan/Penempatan Terhad

Tawaran untuk jualan dan penempatan terhad oleh Pan-Tiara Corporation Sdn Bhd ke atas seluruh 48.43% kepentingan ekuitinya di dalam Syarikat, yang meliputi 94,953,500 Saham Syarikat dan 34,984,500 Waran Syarikat apabila Pertukaran Saham dan Waran dan Pindahan Penyenaraian diselesaikan, kepada para pemegang saham Syarikat (kecuali bagi C.I. Enterprise Sdn Bhd) dan kakitangan pengurusan kanan tertentu Kumpulan; dan

(g) Pengambilan Saham Tambahan Dalam Syarikat Bersekutu – KFCH

Syarikat telah mengambilalih 7,604,100 saham biasa dalam syarikat bersekutu – KFCH antara 26 Mei 2004 hingga 24 Disember 2004 yang mewakili 3.83% daripada modal terbitan dan berbayar KFCH dengan pertimbangan belian berjumlah RM27,057,462. Berikutan pengambilalihan ini, pegangan saham Syarikat dalam KFCH telah bertambah daripada 28.79% kepada 32.62%.

29 INSTRUMEN KEWANGAN

(a) Objektif dan Dasar Pengurusan Kewangan

Dasar pengurusan risiko kewangan Kumpulan berusaha untuk memastikan sumber kewangan yang mencukupi tersedia bagi pembangunan perniagaan Kumpulan sambil menguruskan kadar risiko faedahnya, pertukaran matawang asing, kecairan dan risiko kredit. Kumpulan beroperasi di dalam garis panduan yang ditakrif dengan jelas yang telah diluluskan oleh Lembaga Pengarah dan Kumpulan berpegang kepada dasar tidak terlibat dalam urusniaga berbentuk spekulatif.

(b) Risiko Kadar Faedah

Risiko utama kadar faedah Kumpulan berkaitan dengan hutang yang dikenakan faedah, kerana Kumpulan tidak mempunyai aset membawa faedah jangka panjang pada 31 Disember 2004. Pelaburan dalam aset kewangan adalah terutamanya berbentuk jangka pendek dan tidak dipegang untuk tujuan spekulatif tetapi kebanyakannya ditempatkan di dalam deposit tetap.

Kumpulan menguruskan pendedahan kadar faedahnya dengan mengekalkan campuran pinjaman kadar tetap terapung yang berhemat. Kumpulan sentiasa mengkaji portfolio hutangnya, dengan mengambilkira tempoh pegangan pelaburan dan bentuk asetnya. Strategi ini membolehkannya memanfaatkan pembiayaan yang lebih murah dalam persekitaran kadar faedah yang rendah dan mencapai tahap perlindungan tertentu daripada kenaikan kadar.

Maklumat mengenai tarikh kematangan dan kadar faedah berkesan aset dan liabiliti kewangan dinyatakan dalam nota masing-masing.

(c) Risiko Tukaran Asing

Kumpulan beroperasi di peringkat antarabangsa dan terdedah kepada pelbagai jenis matawang. Aset dan liabiliti dikuasai matawang asing berserta dengan jangkaan aliran tunai daripada pembelian dan penjualan yang berkemungkinan tinggi meningkatkan pendedahan kepada tukaran asing.

Kumpulan mengekalkan perlindungan secara semula jadi, apabila mungkin, dengan meminjam dalam matawang negara lokasi hartanah atau pelaburan tersebut atau melalui pinjaman dalam matawang yang sepadan dengan aliran hasil masa hadapan yang akan dijana daripada pelaburannya.

Pendedahan tukaran asing dalam matawang urusniaga selain daripada matawang fungsian entiti-entiti yang beroperasi dipastikan pada tahap yang boleh diterima.

Aset dan liabiliti kewangan yang tidak dilindungi nilai bagi syarikat-syarikat dalam Kumpulan pada 31 Disember 2004 yang tidak dikuasai dalam matawang fungsian adalah tidak ketara.

Nota-Nota Kepada Penyata Kewangan

31 Disember 2004 (samb)

29 INSTRUMEN KEWANGAN (samb)

(d) Risiko Kecairan

Kumpulan menguruskan secara aktif profil kematangan hutangnya, aliran tunai operasi dan ketersediaan pembiayaan untuk memastikan bahawa keperluan pembiayaan semula, pembayaran balik dan pembiayaan dipenuhi. Sebagai sebahagian daripada pengurusan kecairannya yang berhemat, Kumpulan mengekalkan tahal tunai atau pelaburan yang boleh ditukar kepada tunai yang mencukupi bagi memenuhi keperluan modal kerjanya. Di samping itu, Kumpulan berusaha untuk mengekalkan ketersediaan kemudahan bank pada tahap yang sewajarnya berbanding kedudukan keseluruhan hutangnya. Jika boleh, Kumpulan mendapatkan komitmen pembiayaan daripada pasaran modal dan juga institusi kewangan dan mengimbangkan portfolionya secara berhemat dengan beberapa pembiayaan jangka pendek untuk mencapai keberkesanan keseluruhan.

(e) Risiko Kredit

Risiko kredit, atau risiko keingkaran pihak berurusan, dikawal melalui penggunaan kelulusan kredit, had dan prosedur pengawasan. Risiko kredit diminimum dan dipantai dengan menghadkan penglibatan Kumpulan dengan rakan perniagaan yang mempunyai nilai kredit yang tinggi. Bayaran perdagangan akan diterima dipantau secara berterusan melalui prosedur laporan pengurusan Kumpulan.

Kumpulan tidak mempunyai sebarang pendedahan ketara ke atas mana-mana pelanggan individu atau pihak berurusan dan ia juga tidak mempunyai sebarang penumpuan risiko kredit yang besar kepada mana-mana instrumen kewangan.

(f) Nilai Saksama

Jumlah bawa aset dan liabiliti kewangan Kumpulan dan Syarikat pada tarikh kunci kira-kira adalah hampir dengan nilai saksamanya kecuali bagi perkara berikut:

	Kumpulan		Syarikat	
	Jumlah Bawa RM'000	Nilai Saksama RM'000	Jumlah Bawa RM'000	Nilai Saksama RM'000
Aset Kewangan				
Pada 31 Disember 2004:				
Pelaburan dalam anak syarikat	–	–	115,346	*
Pelaburan dalam syarikat bersekutu	325,092	231,569	27,057	27,223
Jumlah dihutang oleh anak syarikat	–	–	258,614	#
Liabiliti Kewangan				
Pada 31 Disember 2004:				
Jumlah dihutang kepada syarikat bersekutu	11,906	#	–	–
Pinjaman berjangka	139,130	127,013	103,479	97,899

* Adalah tidak praktikal untuk menganggar nilai saksama saham tidak tercatat bukan semasa Kumpulan kerana kekurangan harga pasaran yang tercatat dan nilai saksama tidak boleh dianggar tanpa menanggung kos yang berlebihan.

Adalah tidak praktikal untuk menganggar nilai saksama yang dihutang oleh/(kepada) anak syarikat dan bersekutu disebabkan terutamanya oleh kekurangan tempoh pembayaran balik yang dimeterai oleh pihak-pihak yang terlibat dan nilai saksama tidak boleh dianggar tanpa menanggung kos yang berlebihan.

29 INSTRUMEN KEWANGAN (samb)

(f) Nilai Saksama (samb)

Kaedah dan andaian berikut digunakan untuk menganggar nilai saksama kelas instrumen kewangan berikut:

(i) Tunai dan Bersamaan Tunai, Perdagangan dan Bayaran Lain Akan Diterima /Pembayaran dan Pinjaman Jangka Pendek

Jumlah bawa adalah hampir dengan nilai saksama disebabkan oleh tempoh kematangan yang agak pendek instrumen-instrumen kewangan ini.

(ii) Pinjaman

Nilai saksama pinjaman dianggarkan dengan mendiskaun aliran tunai masa hadapan menggunakan kadar faedah semasa bagi liabiliti dengan profil yang serupa.

(iii) Pelaburan dalam syarikat bersekutu

Nilai saksama saham tercatat ditentukan dengan merujuk kepada harga bida pasaran tercatat bursa saham semasa tutup perniagaan pada tarikh kunci kira-kira.

30 PERBANDINGAN

Tempoh perbandingan bagi Syarikat meliputi tempoh dari 20 November 2002 (tarikh diperbadankan) sehingga 31 Disember 2003.

Angka-angka perbandingan tidak dibentangkan kerana ini merupakan tahun pertama penyatuan bagi Kumpulan sejak ia disenaraikan di Bursa Malaysia Securities Berhad pada 1 April 2004.

31 MAKLUMAT SEGMENT

(a) Segmen Perniagaan

Tidak ada pendedahan bagi maklumat segmen mengikut industri kerana Kumpulan beroperasi dalam industri tunggal iaitu pengendalian restoran pizza.

(b) Segmen Geografi

Segmen geografi bagi Kumpulan boleh dikategorikan di bawah Malaysia dan asing. Asing hanya meliputi Singapura.

	2004		
	Malaysia RM'000	Asing RM'000	Penyatuan RM'000
Jualan luar	157,282	105,514	262,796
Aset segmen	112,185	38,087	150,272
Perbelanjaan modal	16,612	6,318	22,930

Analisa Pemegang Saham

pada 8 Mac 2005

Modal Saham dibenarkan RM1,000,000,000 Kelas Saham Saham Biasa bernilai RM1.00 setiap satu

Modal yang diterbitkan dan dibayar RM199,997,505 Hak Mengundi Satu undi untuk satu Saham

PEMBAHAGIAN PEMEGANG SAHAM

Saiz Pemegang Saham	Bilangan Pemegang Saham	% Jumlah Pemegang Saham	Bilangan Saham	% Jumlah Saham
1 – 99	1,728	30.81	8,649	0.00
100 – 1,000	1,518	27.07	1,026,940	0.51
1,001 – 10,000	2,002	35.70	7,582,720	3.79
10,001 – 100,000	263	4.69	7,737,374	3.87
100,001 – Kurang daripada 5% saham yang diterbitkan	92	1.64	106,938,287	53.47
5% dan ke atas	5	0.09	76,703,535	38.35
Jumlah	5,608	100.00	199,997,505	100.00

KEPENTINGAN LANGSUNG AND TIDAK LANGSUNG PARA PENGARAH DI DALAM SYARIKAT DAN PERBADANAN YANG BERKAITAN

Kecuali seperti yang dinyatakan, tiada seorang Pengarah pun yang mempunyai kepentingan langsung dan tidak langsung dalam Syarikat dan Perbadanan yang berkaitan.

Pengarah	Langsung Bilangan Saham	%	Tidak Langsung Bilangan Saham	%
YBhg Datuk Haji Izhar bin Sulaiman	4,598,500	2.30	24,376,636 ⁽¹⁾	12.19
YBhg Dato' Johari bin Abdul Ghani	–	–	10,909,535 ⁽²⁾	5.45

Nota-nota

(1) Dinyatakan berminat melalui IS Investment Group Ltd

(2) Dinyatakan berminat melalui JAG Capital Holdings Sdn Bhd

PARA PEMEGANG SAHAM UTAMA

	Langsung Bilangan Saham	%	Tidak Langsung Bilangan Saham	%
Lembaga Pengurusan	6,734,576	3.37	35,286,171	17.64
– YBhg Datuk Haji Izhar bin Sulaiman	4,598,500	2.30	24,376,636 ⁽¹⁾	12.19
– YBhg Dato' Johari bin Abdul Ghani	–	–	10,909,535 ⁽²⁾	5.45
– Peng Peng Foo	510,719	0.25	–	–
– Dr Kooi Eng Teong	524,619	0.26	–	–
– Au Siew Loon	542,319	0.27	–	–
– Toh Chun Wah	558,419	0.28	–	–
Wisdom Innovative Technology Sdn Bhd	40,900,600	20.45	–	–
Indexia Assets Limited	22,567,310	11.28	–	–
Neo Kim Hock	16,444,000	8.22	–	–

Nota-nota

(1) Dinyatakan berminat melalui IS Investment Group Ltd

(2) Dinyatakan berminat melalui JAG Capital Holdings Sdn Bhd

TIGA PULUH PEMEGANG (30) SAHAM TERBESAR PADA 8 MAC 2005

Nama	Bilangan Saham	% Jumlah Saham
1 OSK Nominees (Tempatan) Sdn Berhad - Pledged Securities Account for Wisdom Innovative Technology Sdn Bhd	25,209,600	12.60
2 A.A. Assets Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Wisdom Innovative Technology Sdn Bhd	15,913,400	7.96
3 M.I.T Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Neo Kim Hock	13,930,000	6.97
4 CIMSEC Nominees (Tempatan) Sdn Bhd - CIMB for JAG Capital Holdings Sdn Bhd	10,900,000	5.45
5 HDM Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for IS Investment Group Limited	10,750,535	5.38
6 HDM Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for Yates Ventures Limited	8,143,400	4.07
7 Indexia Assets Limited	8,082,510	4.04
8 M & A Nominee (Tempatan) Sdn Bhd - Pledged Securities Account for Wisdom Innovative Technology Sdn Bhd	6,800,000	3.40
9 Enigma Sinar Sdn Bhd	6,000,000	3.00
10 HDM Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for Naunton International Limited	5,416,200	2.71
11 HDM Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for Indexia Assets Limited	4,845,700	2.42
12 Mayban Securities Nominees (Tempatan) Sdn Bhd - UOB Kay Hian Pte Ltd for Indexia Assets Limited	4,712,200	2.36
13 HDM Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for G1 Investments Pte Ltd	3,500,000	1.75
14 Mayban Securities Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for Nueviz Investment Private Limited	2,750,000	1.38
15 Mayban Securities Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Izhar Bin Sulaiman	2,647,000	1.32

Analisa Pemegang Saham

pada 8 Mac 2005 (samb)

TIGA PULUH PEMEGANG (30) SAHAM TERBESAR PADA 8 MAC 2005 (samb)

Nama	Bilangan Saham	% Jumlah Saham
16 Employees Provident Fund Board	2,420,300	1.21
17 AllianceGroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Izhar Bin Sulaiman	2,170,000	1.09
18 Malaysia Nominees (Tempatan) Sendirian Berhad - Great Eastern Life Assurance (Malaysia) Berhad	2,036,000	1.02
19 Citicorp Nominees (Asing) Sdn Bhd - Citigroup GM Inc for Heritage Investment Corporation	1,900,000	0.95
20 United Overseas Nominees (Tempatan) Sdn Bhd - Pledged Securities Accounts for Izhar Bin Sulaiman	1,862,900	0.93
21 A.A. Assets Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Piramid Tulin Sdn Bhd	1,758,000	0.88
22 A.A. Assets Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Maszura Binti Kamaruddin	1,694,200	0.85
23 Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Idris Bin Abdullah @ Das Murthy	1,345,500	0.67
24 Mayban Securities Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for Sun Spirit Group Limited	1,342,400	0.67
25 RHB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Eagle Option Sdn Bhd	1,139,300	0.57
26 Citicorp Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Izhar Bin Sulaiman	1,099,500	0.55
27 HLB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Peter Chen Hing Woon	1,035,700	0.52
28 TA Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Mohd Radzi Bin Abdul Hamid	1,009,800	0.50
29 HDM Nominees (Tempatan) Sdn Bhd - UOB Kay Hian Pte Ltd for Piramid Tulin Sdn Bhd	1,000,000	0.50
30 Wisdom Innovative Technology Sdn Bhd	1,000,000	0.50
Jumlah	152,414,145	76.21

Harga Pelaksanaan dan Tempoh 1 RM1.13 untuk tempoh bermula dari 25 Mac 2004 ke 24 Januari 2005
2 RM1.19 untuk tempoh bermula dari 25 Januari 2005 ke 24 Januari 2007

PEMBAHAGIAN PEMEGANG WARAN

Saiz Pemegang Waran	Bilangan Pemegang Waran	% Jumlah Pemegang Waran	Bilangan Waran	% Jumlah Waran
1 – 99	859	28.01	12,052	0.03
100 – 1,000	1,370	44.67	631,121	1.38
1,001 – 10,000	732	23.87	2,382,543	5.20
10,001 – 100,000	75	2.45	1,975,466	4.31
100,001 – Kurang daripada 5% saham yang diterbitkan	27	0.88	12,127,658	26.48
5% dan ke atas	4	0.13	28,672,657	62.60
Jumlah	3,067	100.00	45,801,497	100.00

KEPENTINGAN LANGSUNG AND TIDAK LANGSUNG PARA PENGARAH DI DALAM SYARIKAT DAN PERBADANAN YANG BERKAITAN

Kecuali seperti yang dinyatakan, tiada seorang Pengarah pun yang mempunyai kepentingan langsung dan tidak langsung dalam Syarikat dan Perbadanan yang berkaitan.

Pengarah	Langsung		Tidak Langsung	
	Bilangan Waran	%	Bilangan Waran	%
YBhg Datuk Haji Izhar bin Sulaiman	1,251,000	0.63	634,293	0.32

TIGA PULUH PEMEGANG (30) WARAN TERBESAR PADA 8 MAC 2005

Nama	Bilangan Waran	% Jumlah Waran
1 Enigma Sinar Sdn Bhd	12,000,000	26.20
2 ECM Libra Securities Nominees (Asing) Sdn Bhd – ECM Libra Investment Bank Limited for Indexia Assets Limited (Pledged)	11,154,557	24.35
3 Mayban Securities Nominees (Asing) Sdn Bhd – UOB Kay Hian Pte Ltd for Sun Spirit Group Limited	3,023,500	6.60
4 Employees Provident Fund Board	2,494,600	5.45
5 Leong Hee Peng	1,800,000	3.93
6 Malaysia Nominees (Tempatan) Sendirian Berhad – Great Eastern Life Assurance (Malaysia) Berhad	1,158,400	2.53
7 Mayban Securities Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Izhar Bin Sulaiman	1,136,100	2.48
8 HDM Nominees (Asing) Sdn Bhd – UOB Kay Hian Pte Ltd for Adroit Innovations Pte Ltd	1,000,000	2.18
9 EB Nominees (Tempatan) Sendirian Berhad – Pledged Securities Account for Low Han Teong	814,400	1.78

Analisa Pemegang Waran

pada 8 Mac 2005 (samb)

TIGA PULUH PEMEGANG (30) WARAN TERBESAR PADA 8 MAC 2005 (samb)

10	HDM Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for Naunton International Limited	686,200	1.50
11	HDM Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for IS Investment Group Limited	626,000	1.37
12	Mayban Securities Nominees (Asing) Sdn Bhd - UOB Kay Hian Pte Ltd for Nueviz Investment Private Limited	560,000	1.22
13	Cartaban Nominees (Asing) Sdn Bhd - Credit Agricole Indosuez (Suisse) SA for Whitefield Management Ltd	405,000	0.88
14	Md Yusoff Bin Md Ali	400,000	0.87
15	DB (Malaysia) Nominee (Asing) Sdn Bhd - Deutsche Bank AG London for Aeneas Portfolio Company, L.P.	355,120	0.78
16	Sisma Vest Sdn Bhd	328,000	0.72
17	Mayban Securities Nominees (Asing) Sdn Bhd - UOB Kay Hian Private Limited for G1 Investments Pte Ltd	325,366	0.71
18	Citicorp Nominees (Asing) Sdn Bhd - Pershing LLC for PHD Investments Ltd	310,320	0.68
19	AMSEC Nominees (Asing) Sdn Bhd - Kim Eng Securities Pte Ltd for Magnus Energy Group Ltd	290,900	0.64
20	MP Technology Resources Berhad	238,000	0.52
21	AllianceGroup Nominees (Tempatan) Sdn Bhd - Alliance Capital Asset Management Sdn Bhd for Employees Provident Fund	209,680	0.46
22	AllianceGroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Eng Chin Hock	202,500	0.44
23	Poh Gaik Lye	200,000	0.44
24	Citicorp Nominees (Tempatan) Sdn Bhd - Pershing LLC for Lim Swee Ping	165,600	0.36
25	Toh Chun Wah	161,532	0.35
26	EB Nominees (Tempatan) Sendirian Berhad - Pledged Securities Account for Soh Key Chai	150,020	0.33
27	HDM Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Ong King Kok	148,400	0.32
28	Asia Life (M) Berhad - As Beneficial Owner	122,120	0.27
29	AllianceGroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Izhar Bin Sulaiman	115,000	0.25
30	HDM Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Sim Chee Kuan	110,000	0.24
Jumlah		40,691,315	88.84

Senarai Hartanah Yang Dimiliki

pada 31 Disember 2004

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Lokasi	Tarikh Pembelian	Usia*	Tempoh Milikan	Tarikh Tamat	Kawasan (kaki persegi)	Keterangan	Nilai Buku Bersih (RM'000)
HARTA KOMERSIL							
PENANG							
Unit No G-104 Megamal Pinang 2828 Jalan Baru Bandar Perai Jaya 13600 Seberang Perai Tengah	06/06/1996	8	Milikbebas	–	2,762	Tingkat bawah kompleks membeli-belah untuk restoran	1,045
1-5G & 1-10G Eden Parade Jalan Sungai Emas 11100 Batu Ferringhi	12/10/1996	4	Milikbebas	–	2,818	2 unit bersebelahan tingkat bawah dan mezanin kompleks membeli-belah untuk restoran	1,219
SELANGOR							
20-4 & 22-4 Jalan 14/22 The Right Angle 46100 Petaling Jaya	31/03/1997	15	Pajakan	16/12/2086	3,080	Tingkat tiga 2 unit bersebelahan rumah kedai 4 tingkat untuk perkembangan di masa hadapan	588
W.P. KUALA LUMPUR							
16 & 16-1 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur	06/06/1996	8	Pajakan	05/04/2078	1,550	Tingkat bawah dan tingkat satu rumah kedai 4 tingkat berserta 1 tingkat bawah tanah untuk restoran	733
JOHOR							
86 Jalan Dedap 4 Taman Johor Jaya 81100 Johor Bahru	06/03/1997	22	Milikbebas	–	1,540	Rumah kedai pertengahan 2 tingkat untuk restoran	543

* Anggaran usia harta dalam tahun.

Notis Mesyuarat Agung Tahunan

DENGAN INI DIMAKLUMKAN BAHAWA Mesyuarat Agung Tahunan ke 2 QSR Brands Bhd akan diadakan di Ballroom A, Tingkat 1, Convention Centre, Renaissance Kuala Lumpur Hotel, persimpangan Jalan Sultan Ismail dan Jalan Ampang, 50450 Kuala Lumpur, Malaysia, pada 28 April 2005 jam 11.00 pagi bagi tujuan-tujuan berikut:

AGENDA

- 1 Untuk menerima dan meluluskan Penyata Kewangan Syarikat yang telah Diaudit bagi tahun berakhir 31 Disember 2004 dan Laporan para Pengarah serta Juruaudit mengenainya. Resolusi 1
- 2 Untuk meluluskan pembayaran dividen pertama dan akhir sebanyak 4 sen sesaham, ditolak 28% cukai pendapatan Malaysia. Resolusi 2
- 3 Untuk meluluskan bayaran yuran para Pengarah. Resolusi 3
- 4 Untuk memilih semula para Pengarah berikut yang bersara berhubung dengan Tataurusan 89:
 - a YBhg Datuk Haji Izhar bin Sulaiman Resolusi 4
 - b YBhg Dato' Johari bin Abdul Ghani Resolusi 5
- 5 Untuk melantik semula Ernst & Young sebagai Juruaudit Syarikat dan memberi kuasa kepada para Pengarah untuk menetapkan bayaran mereka. Resolusi 6
- 6 Sebagai urusan khas:

Untuk menimbangkan, dan jika difikirkan sesuai, meluluskan resolusi-resolusi berikut sebagai Resolusi Biasa: -

 - a Kuasa untuk memperuntuk dan menerbitkan saham berhubung dengan Seksyen 132D Akta Syarikat 1965

"BAHAWA tertakluk sentiasa kepada Akta Syarikat 1965, Tataurusan Pertubuhan Syarikat dan kelulusan-kelulusan daripada Bursa Malaysia Securities Berhad serta pihak-pihak berkuasa kerajaan dan penguatkuasa peraturan lain di mana kelulusan sedemikian diperlukan, kuasa penuh dengan ini diberikan kepada para Pengarah berhubung Seksyen 132D Akta Syarikat 1965 dari semasa ke semasa untuk menerbit dan memperuntuk saham biasa daripada modal saham Syarikat yang belum diterbitkan mengikut terma dan syarat pada masa tersebut, seperti yang ditentukan oleh para Pengarah Syarikat adalah selaras dengan kepentingan Syarikat asalkan bilangan saham agregat yang akan diterbitkan berhubung dengan Resolusi ini tidak akan melebihi 10 peratus daripada modal saham terbitan Syarikat buat masa ini." Resolusi 7
 - b Cadangan Pembaharuan Mandat Pemegang Saham untuk QSR dan syarikat-syarikat subsidiarinya untuk memeterai Urusniaga Berulang Pihak Berkaitan Yang Berbentuk Hasil atau Dagangan dengan Pihak-pihak Berkaitan (Cadangan Mandat Pemegang Saham)

"BAHAWA bagi tujuan perenggan 10.09 Keperluan Penyenaian Bursa Malaysia Securities Berhad, kelulusan dengan ini diberi bagi Syarikat dan anak-anak syarikatnya ("Kumpulan QSR") untuk memeterai sebarang kategori urusniaga berulang berbentuk hasil atau dagangan seperti yang dibentangkan di perenggan 2.2.1 dalam Pekeliling kepada para Pemegang Saham bertarikh 5 April 2005 dengan pihak-pihak berkaitan yang disebut di sini yang perlu untuk melaksanakan operasi harian Kumpulan QSR, kecuali:

 - i urusniaga tersebut adalah menurut tatacara perniagaan biasa, dijalankan secara amanah serta menurut syarat-syarat yang tidak menyebelahi pihak-pihak berkaitan tersebut berbanding dengan apa yang tersedia kepada orang ramai dan tidak merugikan para pemegang saham minoriti serta menurut syarat perdagangan biasa;
 - ii mandat para pemegang saham tertakluk kepada pembaharuan setiap tahun dan pendedahan maklumat nilai agregat urusniaga yang dijalankan berhubung dengan mandat para pemegang saham pada tahun kewangan ini, dibuat dalam laporan tahunan; dan
 - iii para pengarah, pemegang saham utama serta orang-orang berkepentingan yang ada kaitan dengan seseorang pengarah atau pemegang saham utama, dan apabila ia melibatkan kepentingan seseorang yang berkepentingan yang ada kaitan dengan seseorang pengarah atau pemegang saham utama, pengarah atau pemegang saham itu, tidak boleh mengundi resolusi yang hendak meluluskan urusniaga tersebut. Seseorang pengarah berkepentingan atau pemegang saham utama yang berkepentingan juga harus memastikan supaya orang-orang yang ada kaitan dengan dirinya mengecualikan diri daripada mengundi resolusi yang meluluskan urusniaga tersebut.

6 Sebagai urusan khas: (samb)

DAN BAHAWA kuasa yang diberikan melalui mandat tersebut akan terus berkuatkuasa sehingga:

- i tamat Mesyuarat Agung Tahunan Syarikat yang akan datang di mana Cadangan Mandat Pemegang Saham tersebut diluluskan, di mana ia akan luput, kecuali kuasa tersebut diperbaharui melalui sebuah resolusi yang diluluskan di sebuah Mesyuarat Agung Tahunan;
- ii tarikh tamat tempoh selepas Mesyuarat Agung Tahunan, di mana selepas tarikh tersebut, perlu diadakan berhubung dengan Seksyen 143(1) Akta berkenaan (tetapi tidak akan dilanjutkan ke tempoh lanjutan tersebut seperti yang dibenarkan berhubung dengan Seksyen 143(2) di bawah Akta tersebut); atau
- iii dibatal atau dipelbagaikan melalui sebuah resolusi yang diluluskan oleh para pemegang saham di sebuah Mesyuarat Agung Tahunan atau Mesyuarat Agung Luarbiasa,

yang mana lebih dahulu.

DAN BAHAWA para Pengarah Syarikat dengan ini diberi kuasa untuk mengambil semua langkah sedemikian yang perlu atau untuk mempercepatkan pelaksanaannya, memutus atau memberi kesan kepada Cadangan Mandat para Pemegang Saham dengan kuasa penuh untuk mempersetujui sebarang syarat, pengubahsuaian, variasi dan/atau pindaan seperti yang dikenakan oleh pihak-pihak berkuasa berkaitan."

Resolusi 8

7 Untuk menjalankan sebarang urusan biasa lain yang notis mengenainya telah diberikan.

NOTIS KELAYAKAN MENDAPAT DIVIDEN

DENGAN INI JUGA DIMAKLUMKAN bahawa dividen pertama dan akhir sebanyak 4 sen sesaham ditolak 28% cukai pendapatan Malaysia akan dibayar pada 13 Mei 2005 kepada para pendeposit yang berdaftar dalam Rekod Pendeposit pada waktu tutup perniagaan pada 3 Mei 2005 jika diluluskan oleh para ahli di Mesyuarat Agung Tahunan ke 2 pada 28 April 2005.

Seseorang Pendeposit akan mendapat kelayakan hanya berhubung dengan:

- a Saham yang dipindahkan ke dalam Akaun Sekuriti Pendeposit sebelum pukul 4.00 petang pada 3 Mei 2005 berhubung dengan pindahan biasa; dan
- b Saham yang dibeli di Bursa Malaysia Securities Berhad ("Bursa Malaysia") berdasarkan kelayakan bersama menurut Peraturan Bursa Malaysia.

DENGAN PERINTAH LEMBAGA PENGARAH

Ahmad Aznan Bin Mohd Nawawi

Setiausaha Syarikat Kumpulan
(LS 00 06940)

Kuala Lumpur
5 April 2005

Nota:

Seseorang ahli Syarikat layak untuk menghadiri dan mengundi di Mesyuarat yang disebutkan di atas dan boleh melantik seorang Proksi untuk menghadiri dan mengundi bagi pihaknya. Seseorang Proksi mungkin, tetapi tidak semestinya merupakan seorang ahli Syarikat. Surattara melantik seseorang Proksi hendaklah dihantar ke Pejabat Berdaftar Syarikat, Symphony Share Registrars Sdn Bhd, Aras 26, Menara Multi Purpose, Capital Square, No. 8 Jalan Munshi Abdullah, 50100 Kuala Lumpur, tidak lewat dari 48 jam sebelum waktu untuk mengadakan Mesyuarat atau disebarkan penangguhannya.

Nota Penjelasan mengenai Urusan Khas

1 Resolusi berhubung Seksyen 132D Akta Syarikat 1965

Resolusi Biasa dicadangkan di bawah perkara 6(a), jika diluluskan, akan memberi para Pengarah Syarikat, dari tarikh Mesyuarat Agung di atas, kuasa untuk menerbit dan memperuntuk saham biasa daripada modal Syarikat yang belum diterbitkan bagi tujuan yang para Pengarah anggap memenuhi kepentingan Syarikat. Kuasa ini akan, kecuali dibatalkan atau divariasi oleh Syarikat dalam Mesyuarat, tamat tempoh di Mesyuarat Agung Tahunan akan datang.

2 Resolusi berhubung Cadangan Mandat para Pemegang Saham

Resolusi yang dicadangkan di bawah perkara 6(b) akan membolehkan Kumpulan QSR memasuki sebarang urusniaga berulang berbentuk hasil atau dagangan yang perlu untuk melaksanakan operasi harian Kumpulan QSR, tertakluk kepada syarat urusniaga tersebut adalah menurut perjalanan biasa perniagaan, dijalankan secara amanah serta menurut syarat perdagangan biasa dan tidak merugikan para pemegang saham minoriti Syarikat.

Maklumat lanjut mengenai Cadangan Mandat para Pemegang Saham dibentangkan dalam Pekeliling para Pemegang Saham yang dihantar bersama dengan Laporan Tahunan Syarikat 2004.

Penyata Mengiringi Notis Mesyuarat Agung Tahunan

1 PARA PENGARAH YANG MENAWARKAN DIRI UNTUK DIPILIH SEMULA DI MESYUARAT AGUNG TAHUNAN

Para Pengarah yang bersara mengikut giliran berhubung Tataurusan 89 dalam Tataurusan Pertubuhan adalah:

- i YBhg Datuk Haji Izhar bin Sulaiman
- ii YBhg Dato' Johari bin Abdul Ghani

Keterangan mengenai para pengarah yang menawarkan diri untuk dipilih semula dibentangkan dalam Profil para Pengarah di muka surat 5 dan 7 dalam Laporan Tahunan ini

2 KETERANGAN MENGENAI KEHADIRAN DI MESYUARAT LEMBAGA PENGARAH YANG DIADAKAN PADA TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2004

Terdapat tiga (3) Mesyuarat Lembaga Pengarah yang diadakan pada tahun kewangan berakhir 31 Disember 2004 dan berikut adalah keterangan mengenai kehadiran Lembaga Pengarah:

Nama Pengarah	Bil. Mesyuarat Dihadiri
YBhg Datuk Haji Izhar bin Sulaiman	3/3
YBhg Dato' Johari bin Abdul Ghani	3/3
YB Dato' Hilmi bin Haji Abdul Rashid	3/3
YBhg Dato' Haji Karim bin Marzuki	3/3
YBhg Dato' Dr Ridzuan bin Akil	3/3

3 MESYUARAT AGUNG TAHUNAN KEDUA AKAN DIADAKAN DI BALLROOM A, TINGKAT 1, CONVENTION CENTRE, RENAISSANCE KUALA LUMPUR HOTEL, PERSIMPANGAN JALAN SULTAN ISMAIL DAN JALAN AMPANG, 50450 KUALA LUMPUR, MALAYSIA, PADA 28 APRIL 2005 JAM 11.00 PAGI.



Form of
Proxy
2nd Annual
General Meeting

I/We
of
being (a) member(s) of **QSR BRANDS BHD**, hereby appoint(s) *THE CHAIRMAN OF THE MEETING or failing him,
.....
of
or failing him /her
of

as my / our proxy to attend and to vote for me/us on my/our behalf at the 2nd Annual General Meeting ("AGM") of the Shareholders of the Company to be held at Ballroom A, First Floor, Convention Centre, Renaissance Kuala Lumpur Hotel, Corner of Jalan Sultan Ismail and Jalan Ampang, 50450 Kuala Lumpur, Malaysia, on 28 April 2005 at 11.00 am and at any adjournment thereof.

**If you wish to appoint other person(s) to be your proxy (ies), kindly delete the words "The Chairman of the Meeting or failing him" and insert the name(s) of the person(s) desired.*

(With reference to the agenda set out in the Notice of AGM, please indicate with an "X" in the space provided below on how you wish to cast your votes.)

		FOR	AGAINST
Resolution 1	Financial Statements and Reports		
Resolution 2	First & Final Dividend		
Resolution 3	Payment of Directors' Fees		
Resolution 4	Re-election of Directors:		
	YBhg Datuk Haji Izhar bin Sulaiman		
Resolution 5	YBhg Dato Johari bin Abdul Ghani		
Resolution 6	Re-appointment of Ernst & Young as Auditors of the Company		
Resolution 7	Resolution pursuant to Section 132D of the Companies Act 1965		
Resolution 8	Resolution pursuant to the Proposed Shareholders' Mandate		

Dated this day of 2005

Number of Shares Held

.....
Signature of Shareholder(s)

Notes:

1. A member of the Company entitled to attend and vote at the abovementioned AGM may appoint a Proxy to attend and vote in his stead. A Proxy may but need not be a member of the Company.
2. If the member is a corporation, this Proxy Form must be executed under its common seal or the hand of its duly authorized officer or attorney.
3. Any alteration made in this form should be initialed by the person who signs it.
4. This Proxy must be deposited at the Registrar Office of the Company, Symphony Share Registrars Sdn Bhd, Level 26, Menara Multi Purpose, Capital Square, No. 8 Jalan Munshi Abdullah, 50100 Kuala Lumpur, at least forty-eight (48) hours before the time for holding the AGM.

fold here

Stamp

Registrar Office of the Company
Symphony Share Registrars Sdn Bhd
Aras 26, Menara Multi Purpose
Capital Square
No. 8 Jalan Munshi Abdullah
50100 Kuala Lumpur

fold here

Saya/Kami
beralamat di
merupakan ahli/ahli-ahli **QSR BRANDS BHD**, dengan ini melantik *PENGURUSI MESYUARAT atau jika beliau gagal hadir,
.....
beralamat di
atau jika beliau gagal hadir
beralamat di

sebagai proksi saya/kami dan mengundi untuk saya/kami bagi pihak saya/kami di Mesyuarat Agung Tahunan ("AGM") Ke 2 para Pemegang Saham Syarikat yang akan diadakan di Ballroom A, Tingkat 1, Convention Centre, Renaissance Kuala Lumpur Hotel, persimpangan Jalan Sultan Ismail dan Jalan Ampang, 50450 Kuala Lumpur, Malaysia, pada 28 April 2005 jam 11.00 pagi dan pada sebarang penangguhannya.

**Jika anda ingin melantik penama (penama-penama) lain untuk menjadi proksi (proksi-proksi) anda, sila potong perkataan "Pengerusi Mesyuarat atau jika beliau gagal hadir" dan masukkan nama (nama-nama) penama (penama-penama) yang dikehendaki.*

(Dengan merujuk kepada agenda yang dinyatakan di dalam Notis AGM, sila tandakan "X" dalam ruang yang disediakan tentang bagaimana anda ingin undian anda dilakukan.)

		MENYOKONG	MENENTANG
Resolusi 1	Penyata dan Laporan Kewangan		
Resolusi 2	Dividen Pertama & Akhir		
Resolusi 3	Bayaran Yuran Pengarah		
Resolusi 4	Pemilihan semula para Pengarah:		
	YBhg Datuk Haji Izhar bin Sulaiman		
Resolusi 5	YBhg Dato Johari bin Abdul Ghani		
Resolusi 6	Pelantikan semula Ernst & Young sebagai Juruaudit Syarikat		
Resolusi 7	Resolusi selaras dengan Seksyen 132D Akta Syarikat, 1965		
Resolusi 8	Resolusi selaras dengan Cadangan Mandat Pemegang Saham		

Bertarikh pada haribulan 2005

Bilangan Saham Dipegang

.....
Tandatangan Pemegang (pemegang-pemegang) Saham

Nota-nota:

- 1 Seseorang ahli Syarikat yang layak menghadiri dan mengundi di AGM yang dinyatakan di atas boleh melantik Proksi untuk hadir dan mengundi bagi menggantikan beliau. Seseorang Proksi tidak semestinya ahli Syarikat.
- 2 Jika ahli tersebut adalah perbadanan, Borang Proksi ini perlu dilaksanakan di bawah meteri rasminya atau ditandatangani oleh pegawainya atau peguam yang diberi kuasa.
- 3 Sebarang pembetulan yang dibuat di dalam borang ini perlu ditandatangani ringkas oleh penandatangan.
- 4 Borang Proksi ini perlu sampai di Pejabat Berdaftar Syarikat, Symphony Share Registrars Sdn Bhd, Aras 26, Menara Multi Purpose, Capital Square, No. 8 Jalan Munshi Abdullah, 50100 Kuala Lumpur, sekurang-kurangnya empat puluh lapan (48) jam sebelum AGM berlangsung.

lipat sini

Setem

Pejabat Berdaftar Syarikat
Symphony Share Registrars Sdn Bhd
Aras 26, Menara Multi Purpose
Capital Square
No. 8 Jalan Munshi Abdullah
50100 Kuala Lumpur

lipat sini