

BERJAYA FOOD BERHAD
[Registration No. 200901032946 (876057-U)]
(Incorporated in Malaysia)

An Extract of Minutes of the Twelfth Annual General Meeting of the Company held on a fully virtual basis through live streaming from the Broadcast Venue at Manhattan V, Level 14, Berjaya Times Square Hotel Kuala Lumpur, No. 1, Jalan Imbi, 55100 Kuala Lumpur (“Broadcast Venue”) on Thursday, 9 December 2021 at 10.00 a.m.

CHAIRMAN

Dato’ Seri Diraja Tunku Shazuddin Ariff Ibni Sultan Sallehuddin presided as Chairman of the Meeting.

PRESENT

The attendance list was set out in Appendix I attached.

QUORUM

The Secretary confirmed that a quorum was present for the Meeting.

NOTICE OF MEETING

The Notice of Annual General Meeting (“AGM”) dated 26 October 2021 as contained on Page 162 to Page 166 of the Company's Annual Report was taken as read.

CHAIRMAN WELCOME SPEECH

Before the Meeting proceeded, Dato’ Seri Diraja Tunku Shazuddin Ariff Ibni Sultan Sallehuddin, the Chairman, on behalf of the Board of Directors (“Board”) of the Company welcomed the shareholders and proxies, the Board, External Auditors, Messrs Ernst & Young PLT (“EY”) and the Management of the Company for their participation at the Twelfth AGM of the Company.

The Chairman informed the shareholders that all processes, questions and voting relating to the Twelfth AGM is conducted entirely online from the Broadcast Venue, mainly due to the current COVID-19 pandemic and is for the safety of all shareholders, employees and the Board.

The Chairman then proceeded to introduce all the Board, the Company Secretary, the Chief Financial Officer, the Management Team and the representatives of the Company’s External Auditor, EY who were present at the Broadcast Venue.

PROCEEDINGS OF MEETING AND VOTING MANNER

The Chairman informed that in compliance with Paragraph 8.29A (1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, voting for all the resolutions to be considered at the Twelfth AGM would be voted on by poll electronically.

The Chairman further informed that the Company has appointed SS E Solutions Sdn Bhd (“SS E Solutions”) as the Poll Administrator to conduct the polling process and Messrs Commercial Quest Sdn Bhd (“CQSB”) as the Independent Scrutineer to validate the votes cast for all resolutions put to vote at this Meeting via Remote Participation and Voting (“RPV”) facilities provided by SS E Solutions.

The Chairman further informed that for expediency, the Meeting would proceed according to the sequence in the agenda and the Board would deal with questions from shareholders during the Questions and Answers (“Q&A”) session only after all the businesses at the AGM have been transacted.

The Chairman then reminded the shareholders and proxies to submit their questions or remarks in relation to the agenda items by using the text box below the live stream player within the same e-Portal page and the Board would read out the questions and provide the answers accordingly via the broadcast.

The Chairman also informed that shareholders and proxies can proceed to vote on the resolutions and submit their votes via the RPV facilities at any time from the start of this AGM and before the closure of the voting session which would be announced and indicated on the screen later after the Q&A session. The Independent Scrutineer would then verify and announce the poll results.

The Chairman then informed the shareholders and proxies that a short video clip on the procedure for remote voting via the RPV facilities prepared by SS E Solutions would be shown on the screen.

After the short presentation by SS E Solutions, the Chairman proceeded with Item 1 on the Agenda which is to receive the Company’s audited financial statements for the financial year ended 30 June 2021 together with the Directors’ and Auditors’ Report thereon.

AUDITED FINANCIAL STATEMENTS

The Chairman informed that under the provisions of Section 340(1)(a) of the Companies Act 2016, the Company is required to lay before the Meeting the audited financial statements and the reports thereon for the financial year ended 30 June 2021. This Agenda do not require the approval of the shareholders and hence, it would not be put forward for voting. However, shareholders would be able to ask questions and give comments on the audited financial statements during the Q&A session.

The Chairman then invited Mr Chong Tse Heng of EY, the external auditors of the Company, to present the Independent Auditors’ Report on the financial statements for the financial year ended 30 June 2021 to the shareholders.

After the presentation by Mr Chong Tse Heng, the Chairman thanked Mr Chong Tse Heng on his presentation of the Auditors’ Report.

A slide presentation via an audio clip on the Group’s financial performance for the financial year ended 30 June 2021 was presented to the shareholders.

After the presentation, it was recorded that the Company's audited financial statements for the financial year ended 30 June 2021 together with the Directors' and Auditors' Reports were duly received.

The Chairman then informed the shareholders that the Company has not received any questionnaire letter from Minority Shareholders Watch Group for the financial year ended 30 June 2021 prior to this Twelfth AGM.

ORDINARY RESOLUTIONS

The Chairman informed that he was an interested Director for Resolution 1, Resolution 2 and Resolution 3 in relation to the payment of Directors' Fees, payment of Directors' Remuneration (excluding Directors' Fees) and his re-election as a Director of the Company pursuant to Clause 117 of the Company's Constitution respectively. Hence, he has to abstain from deliberating and voting on the said resolutions.

The Chairman then invited Dato' Sydney Lawrance Quays, the Chief Executive Officer of the Company to chair the Meeting and to consider Resolution 1, Resolution 2 and Resolution 3.

1) DIRECTORS' FEES

Dato' Sydney Lawrance Quays then proceeded with Ordinary Resolution 1 under item 2 of the agenda which was to approve the payment of Directors' fees amounting to RM180,000.00 for the financial year ended 30 June 2021.

2) DIRECTORS' REMUNERATION (EXCLUDING DIRECTORS' FEES) FOR THE PERIOD FROM 10 DECEMBER 2021 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

Dato' Sydney Lawrance Quays proceeded with Ordinary Resolution 2 under item 3 of the agenda which was to approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company up to an amount of RM575,100.00 for the period from 10 December 2021 until the next AGM of the Company to be held in 2022.

3) RE-ELECTION OF DIRECTORS

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

- (a) Dato' Sydney Lawrance Quays proceeded with Ordinary Resolution 3 under item 4 (a) of the agenda in relation to the re-election of Dato' Seri Diraja Tunku Shazuddin Ariff Ibni Sultan Sallehuddin who retires pursuant to Clause 117 of the Company's Constitution and being eligible has offered himself for re-election as a Director of the Company.

At this juncture, Dato' Sydney Lawrance Quays passed the Chair back to the Chairman for the next agenda.

- (b) The Chairman then proceeded with Ordinary Resolution 4 under item 4 (b) of the agenda in relation to the re-election of Chryseis Tan Sheik Ling who retires pursuant to Clause 117 of the Company's Constitution and being eligible has offered herself for re-election as a Director of the Company.

4) RE-APPOINTMENT OF AUDITORS

The Chairman moved on and proceeded with Ordinary Resolution 5 under item 5 of the agenda which was to approve the re-appointment of EY as Auditors of the Company for the ensuing year until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

The Chairman informed that EY has indicated their willingness to continue in office.

5) SPECIAL BUSINESS

5(i) Ordinary Resolution - Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Chairman proceeded with Ordinary Resolution 6 under item 6(i) of the agenda as special business, which was to seek the shareholders' approval on the renewal of a general mandate, which if passed, would empower the Directors of the Company, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that such authority shall continue to be in force until the conclusion of the next AGM of the Company.

The Chairman informed that as at the date of the Twelfth AGM, the Company did not issue any shares pursuant to the mandate granted to the Directors at the last AGM held on 9 December 2020.

5(ii) Ordinary Resolution - Proposed Renewal of and new Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Chairman informed the shareholders that Resolution 7 under item 6 (ii) of the agenda in relation to the proposed renewal of and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature, if passed, would allow the Company and its subsidiaries to enter into Recurrent Related Party transactions in accordance with Paragraph 10.09 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements.

The Chairman added that the following persons who are interested Director and major shareholders of the Company as well as persons connected with them would abstain from voting on Resolution 7 in respect of their direct and/ or indirect shareholdings, namely:

- a) Chryseis Tan Sheik Ling
- b) Tan Sri Dato' Seri Vincent Tan Chee Yioun
- c) Berjaya Corporation Berhad

The Chairman further informed that the other Director of the Company namely, Mr Tan Thiam Chai is also a Director of certain companies of which Berjaya Corporation Berhad is deemed to have interests. Although he is not deemed to be interested, he has however voluntarily abstained from voting on Resolution 7 in respect of his direct and/ or indirect shareholdings in the Company.

5(iii) Ordinary Resolution - Proposed Renewal of Authority for the Company to Purchase its Own Shares

The Chairman proceeded with Ordinary Resolution 8 under item 6(iii) of the agenda in relation to the proposed renewal of authority for the Company to purchase its own shares and the details have been set out in the Statement to Shareholders dated 26 October 2021.

5(iv) Ordinary Resolution - Proposed Retention of Independent Non-Executive Directors

- (a) The Chairman proceeded with Ordinary Resolution 9 under item 6(iv)(a) of the agenda in relation to the Proposed retention of Datuk Zainun Aishah Binti Ahmad as an Independent Non-Executive Director of the Company.

The Chairman informed the shareholders that Datuk Zainun Aishah Binti Ahmad has been appointed as an Independent Non-Executive Director of the Company since May 2010 and she has served the Company for a cumulative term of more than 11 years. She is also the Chairman of the Audit and Risk Management Committee, Nomination Committee and Sustainability Committee of the Company.

The Chairman added that both the Nomination Committee and the Board have assessed the independence of Datuk Zainun Aishah Binti Ahmad and was satisfied with her contributions and independent judgment that she brings to the Board. Thus, the Board has recommended her to continue to serve as an Independent Non-Executive Director of the Company based on the justifications as set out on Page 42 and Page 43 in the Corporate Governance Overview Statement of the Company's 2021 Annual Report.

- (b) The Chairman proceeded with Ordinary Resolution 10 under item 6(iv)(b) of the agenda in relation to the Proposed retention of Dato' Mustapha Bin Abd Hamid as an Independent Non-Executive Director of the Company.

The Chairman further informed the shareholders that Dato' Mustapha Bin Abdul Hamid has been appointed as an Independent Non-Executive Director of the Company since May 2010 and he has served the Company for a cumulative term of more than 11 years. He is also the Chairman of the Remuneration Committee.

The Chairman added that both the Nomination Committee and the Board have assessed the independence of Dato' Mustapha Bin Abdul Hamid and was satisfied with his contributions and independent judgment that he brings to the Board. Thus, the Board has recommended him to continue to serve as an Independent Non-Executive Director of the Company based on the justifications as set out on Page 43 in the Corporate Governance Overview Statement of the Company's 2021 Annual Report.

Q&A SESSION

Following the tabling of all resolutions in the agenda, the Chairman then proceeded with the Q&A session. The Chairman invited Dato' Sydney Lawrance Quays, the Chief Executive Officer of the Company to address the questions submitted by a shareholder prior to the AGM. The CEO then read out the questions and the Company's response on behalf of the Board and the Management.

The Chairman moved on and proceeded with the Q&A session and he began with addressing the questions submitted by the remote shareholders or proxies at the Twelfth AGM via the e-Portal. The Chairman informed that the Board will endeavor to answer as many questions posed which were related to the business of the Twelfth AGM.

The aforesaid questions with the Company's responses thereto were set out in **Appendix II** attached herewith.

VOTING ON THE RESOLUTIONS AND ANNOUNCEMENT OF POLL RESULTS

Upon the conclusion of the Q&A session, the Chairman advised the shareholders and proxies who have yet to submit their votes to proceed to cast and submit their votes via the RPV facilities, during which time, a short video clip on the procedure for remote voting via the RPV facilities was replayed by SS E Solutions to provide guidance for shareholders and proxies to cast their votes accordingly.

While waiting for the poll results, there were still some questions posed by the remote shareholders and proxies via the e-Portal. The Chairman then continued to respond to the questions and provide answers as set out in **Appendix II** attached herewith.

After the votes had been counted and verified by the Independent Scrutineer, CQSB, the Chairman called the Meeting to order at 11.00 a.m. and the representative of CQSB, Cik Nurhayati Binti Sopian reported the results of the poll as follows:

No.	Resolutions	Vote For		Vote Against	
		No. of Shares	%	No. of Shares	%
1.	Payment of Directors' Fees.	269,012,909	99.99	26,015	0.01
2.	Payment of Directors' Remuneration (excluding Directors' Fees) for the period from 10 December 2021 until the next Annual General Meeting of the Company in 2022.	265,815,599	98.80	3,223,125	1.20
3.	Re-election of Dato' Seri Diraja Tunku Shazuddin Ariff Ibni Sultan Sallehuddin as Director.	266,610,392	98.81	3,216,532	1.19

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No.	Resolutions	Vote For		Vote Against	
		No. of Shares	%	No. of Shares	%
4.	Re-election of Chryseis Tan Sheik Ling as Director.	266,727,403	98.81	3,216,111	1.19
5.	Re-appointment of Messrs Ernst & Young PLT as Auditor.	269,927,020	99.99	18,104	0.01
6.	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.	269,926,099	99.99	19,225	0.01
7.	Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	57,061,688	99.97	19,016	0.03
8.	Renewal of authority for the Company to purchase its own shares.	269,922,308	99.99	18,016	0.01
9.	Retention of Datuk Zainun Aishah Binti Ahmad as an Independent Non-Executive Director.	253,325,151	94.05	16,024,073	5.95
10.	Retention of Dato' Mustapha Bin Abd Hamid as an Independent Non-Executive Director.	253,678,751	94.06	16,019,473	5.94

The Chairman then declared that all the resolutions, that is Resolution 1 to Resolution 10 were duly carried as follows:-

- 1) "THAT the payment of Directors' fees amounting to RM180,000/= to the Non-Executive Directors of the Company for the financial year ended 30 June 2021 be and is hereby approved."
- 2) "THAT the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors of the Company up to an amount of RM575,100.00 for the period from 10 December 2021 until the next Annual General Meeting of the Company to be held in 2022 be and is hereby approved."

- 3) “THAT Dato’ Seri Diraja Tunku Shazuddin Ariff Ibni Sultan Sallehuddin, being the Director retiring pursuant to Clause 117 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”
- 4) “THAT Chryseis Tan Sheik Ling, being the Director retiring pursuant to Clause 117 of the Company’s Constitution, be and is hereby re-elected as a Director of the Company.”
- 5) “THAT Messrs Ernst & Young PLT be and are hereby appointed as Auditors of the Company until the conclusion of the next AGM and that the Directors be authorised to fix their remuneration.”
- 6) “THAT, subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant governmental/ regulatory authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company from time to time at such price and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”
- 7) “THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.3 of Part A of the Circular to Shareholders dated 26 October 2021 (“Proposed Mandate”) which are necessary for the day-to-day operations and/ or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-
 - (a) the conclusion of the next AGM of the Company following the AGM at which such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;
 - (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

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

- 8) “THAT, subject always to the Companies Act 2016 (“Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Exchange”) and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company (“BFood Shares”) through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/ or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;
2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;
3. the authority shall commence immediately upon passing of this ordinary resolution until:-
 - (a) the conclusion of the next AGM of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first;

AND THAT upon completion of the purchase(s) of the BFood Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any BFood Shares so purchased by the Company in the following manner:-

- (a) cancel all the BFood Shares so purchased; or
 - (b) retain all the BFood Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or
 - (c) retain part thereof as treasury shares and subsequently cancelling the balance; or
 - (d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force.”
- 9) “THAT Datuk Zainun Aishah Binti Ahmad be and is hereby retained as an Independent Non-Executive Director of the Company and she shall continue to act as an Independent Non-Executive Director of the Company notwithstanding that she has been an Independent Director on the Board of the Company for a cumulative term of more than eleven (11) years.”
- 10) “THAT Dato’ Mustapha Bin Abd Hamid be and is hereby retained as an Independent Non-Executive Director of the Company and he shall continue to act as an Independent Non-Executive Director of the Company notwithstanding that he has been an Independent Director on the Board of the Company for a cumulative term of more than eleven (11) years.”

The duly re-elected Directors namely, Dato’ Seri Diraja Tunku Shazuddin Ariff Ibni Sultan Sallehuddin and Chryseis Tan Sheik Ling then thanked the shareholders for re-electing them and for their support and confidence in them.

The Independent Non-Executive Directors namely, Datuk Zainun Aishah Binti Ahmad and Dato’ Mustapha Bin Abd Hamid also thanked the shareholders for retaining them as Independent Non-Executive Directors.

Mr Chong Tse Heng, the representative from EY, also thanked the shareholders for their re-appointment as Auditors of the Company.

The Chairman informed the shareholders that as a token of appreciation for the shareholders who participated at this Twelfth AGM, the Board of Directors has decided to give a list of goodies from Starbucks, Kenny Roger Roasters, Joybean, Sala and Krispy Kreme which could be redeemed via B-Infinite mobile application. The notification for e-vouchers redemption would be sent by B-infinite via email to the entitled shareholders or proxies who attended and participated at the Twelfth AGM.

6) **CONCLUSION**

The Chairman concluded and closed the Meeting at 11.35 a.m. and thanked the shareholders for their participation at the Meeting.

Confirmed,

-Signed-

CHAIRMAN

Dated: 7 January 2022

**ATTENDANCE LIST FOR ANNUAL GENERAL MEETING OF
BERJAYA FOOD BERHAD HELD ON 9 DECEMBER 2021**

Directors

1)	Dato' Seri Diraja Tunku Shazuddin Ariff Ibni Sultan Sallehuddin	-Chairman/ Independent Non-Executive Director
2)	Dato' Sydney Lawrance Quays	-Chief Executive Officer
3)	Tan Thiam Chai	-Non-Independent Non-Executive Director
4)	Chryseis Tan Sheik Ling	-Non-Independent Non-Executive Director
5)	Datuk Zainun Aishah Binti Ahmad	-Independent Non-Executive Director
6)	Dato' Mustapha Bin Abd Hamid	-Independent Non-Executive Director

In Attendance

1)	Tham Lai Heng Michelle	} Company Secretaries
2)	Wong Siew Guek	
3)	Wong Poo Tyng	

Management Team and By Invitation

1)	Chin Wan Ching	Chief Financial Officer
2)	Hen Jong Ren	Chief Financial Officer of Berjaya Corporation Berhad
3)	Chong Tse Heng	Representatives from Messrs Ernst & Young PLT
4)	Diong Sook Yee	
5)	Chai Giah Sing	Representative from Berjaya Starbucks Coffee Company Sdn Bhd
6)	Ng Ee Lian	Representative from Company Secretarial Department
7)	Yeow Sze Min	SS E Solutions Sdn Bhd
8)	Nurhayati Binti Sopian	Commercial Quest Sdn Bhd

Shareholders, Proxies of Corporate Representative

As per the attendance sheets

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A) Questions received via email from a shareholder

NO.	QUESTIONS AND ANSWERS
Q1	<p>When is the expiry date of the Master Franchise Agreement entered with Starbucks Coffee International, Inc?</p> <p>How many times have it been renewed in the past?</p> <p>Are there any major changes in the terms during the past renewals?</p> <p>Dato' Sydney Lawrance Quays, the Group Chief Executive Officer ("CEO") of the Company replied that the Master Franchise Agreement entered into between Berjaya Starbucks Coffee Company Sdn Bhd ("BStarbucks") and Starbucks Coffee International, Inc ("SCI") will expire in year 2040. As at to date, BStarbucks had renewed the said Agreement twice with SCI and there were no major changes in the terms during the past renewals.</p>
Q2	<p>What are the annual net new store opening targets for Starbucks, Kenny Rogers Roasters ("KRR"), Jollibean and Sala for the next few years?</p> <p>What is the expected average annual Capital Expenditure ("CAPEX")?</p> <p>The CEO informed that the annual net new stores opening targeted to be opened per annum are as follows:-</p> <p>(i) Starbucks – 35 stores; (ii) KRR, Jollibean & Sala – about 5 stores each.</p> <p>The expected average annual CAPEX is about RM90.0 million which will include renovations, update to Information Technology equipment and etc.</p>
Q3	<p>As at 30 June 2021, there were approximately 3.7 million registered Starbucks Rewards members as stated on Page 13 of the Company's Annual Report 2021.</p> <p>What is the average cost to acquire each new member?</p> <p>How the Management monetise this loyalty programme?</p> <p>The CEO replied that given that the Starbucks Loyalty Programme was launched ten (10) years ago, the current amount spent to acquire new members are nominal. With the newly revamped loyalty system, Starbucks Reward will be monetised by building frequency.</p>

NO.	QUESTIONS AND ANSWERS
Q4	<p>What is the revenue breakdown and margin for dine-in, drive-thru and food delivery to customers?</p> <p>Given the food delivery market is dominated by few key players, will the Management be concerned that they keep increasing that prices in future which erode the Group's margin?</p> <p>The CEO informed that dine-in will always be the biggest contribution to the Group's revenue during the pre-COVID pandemic. However, the food delivery services were important during the lockdowns. He highlighted that the Management team were able to negotiate for very low rates for its food delivery services. In fact, the Company's rates for delivery services is one of the lowest in the industry.</p>
Q5	<p>Refer to Page 141, Note 34 under Capital Management of Notes to the Financial Statements of Company's Annual Report 2021, the Group's gearing ratio has been declined from 93.35% to 76.42% from financial year ended ("FYE") 30 June 2020 to FYE 2021.</p> <p>What is the optimal gearing ratio that the Group wish to achieve?</p> <p>The CEO responded that the optimal gearing ratio is not a very indicative measure of the company's performance. Nevertheless, the goal will be to continue reducing the gearing ratio every financial year.</p>
Q6	<p>Are there any key ratios that the Board to consider when deciding the future dividend distribution as the Group does not have a formal dividend policy?</p> <p>The CEO replied that based on the Group's past records for dividend payout, the Board will continue to pay dividend based on the profitability of the Group.</p>

B) Questions received via Securities Services e-Portal from shareholders/ proxies

NO.	QUESTIONS AND ANSWERS
Q1	<p>The shareholder complained that there was no reply to his numerous emails previously sent to the Starbucks Senior Management. He has requested for a complimentary Starbucks card due to the poor customer service from Starbucks Management. Will the Management of Starbucks reply his emails?</p> <p>The Chairman informed that Starbucks Management will look into those emails and respond to the shareholder accordingly.</p>
Q2	<p>Refer to Page 13, Management Discussion & Analysis of the Company's Annual Report 2021, it stated that Starbucks Rewards Loyalty Programme has recorded a tender rate of 47.2% which has contributed a total of RM312.5 million for the financial year ended 30 June 2021.</p> <p>Please clarify the concept of the tender rate.</p> <p>The Chairman replied that the tender rate was computed based on the total count transacted on customer spending inclusive of promotions, discounts and tax.</p>
Q3	<p>What is the avenue to request a printed hard copy of the Company's Annual Report 2021?</p> <p>The Chairman informed that the shareholder may fill up the request form which has been sent to them together with the Administrative Guide and thereafter submit the request form to Berjaya Registration Services Sdn Bhd to request for a hard copy of the Annual Report 2021.</p>
Q4	<p>The net cash flow generated from the Group's operating activities has been increased yearly from about RM70 million for the financial year ended 30 April 2018 to about RM187 million for the financial year ended 30 June 2021.</p> <p>What are the factors that contributed to the growth of net cash flow and whether Management is confident in maintaining the growth for year 2022?</p> <p>Mr Tan Thiam Chai replied that the growth of net cash flow generated from the Group's operating activities was in tandem with the revenue growth in business over the years and the Management is confident that the Group will continue to register a positive growth moving forward.</p>

NO.	QUESTIONS AND ANSWERS
Q5	<p>The shareholder raised his concern and enquired on the status of the business operation during the pandemic as follows:-</p> <p>He has enquired the followings: -</p> <p>(a) The progress of the Group’s business during COVID-19 pandemic; (b) The impact of sugar tax to the Company; (c) How the Company sustain its revenue; and (d) Any merger plan over the next two (2) years.</p> <p>The CEO replied that 2021 was a very volatile year for business operating environment due to the prolonged COVID-19 pandemic. However, with the agile re-strategies efforts from the Management team in scaling the business, they managed to adapt to the change of the current business environment to mitigate the disruptions that were caused by the pandemic. With the business resilient and the achievement of better profitability in financial year 2021, the Management foresee that the businesses of the Group will be stronger in every aspect to enhance profit, sustain growth and better stakeholder returns.</p> <p>With regards to the sugar tax, the CEO informed that the Company does not foresee any impact of the sugar tax to the Group’s businesses at this juncture. He stressed that the Company will continue to focus on the existing portfolios and manage the cost effectively.</p> <p>The CEO further informed that the Management will continue to open retail stores and acquire brands that complement the businesses of BFOOD in order to sustain the revenue provided that there are no major changes in the macro environment with regards to further lockdowns or restrictions that may disrupt the businesses of the Company. They will also manage the customers by offering the best services throughout all brands.</p> <p>The CEO added that the Company has no plan on any merger or acquisition at this juncture. However, if there is any plan over the next two (2) years, the basis of acquisition must be able to support the Group’s growth.</p>

NO.	QUESTIONS AND ANSWERS
Q6	<p>What is the same stores sales growth for Berjaya Starbucks Coffee Company Sdn Bhd (“BStarbucks”) for years 2019 to 2021 and the estimated growth for year 2022?</p> <p>The Chairman replied that the same stores sales growth for BStarbucks from financial year 2019 to financial year 2021 are as follows: -</p> <ul style="list-style-type: none"> (i) Financial Year 2019 – +3.0%, (ii) Financial Year 2020 – -3.5%, (iii) Financial Year 2021 – +6.0% <p>For the financial year 2022, BStarbucks has estimated a high single digit on same stores sales growth.</p>
Q7	<p>What will be the key growth driver of the Group for the coming eighteen (18) months?</p> <p>The CEO informed that the key growth driver of the Group for the coming eighteen (18) months would be the continuation of opening new stores and expand the drive-thru concept stores. Further, it was noted by the Group that the outlets in most towns performed well during pandemic. Therefore, the Management will focus on opening new stores at smaller towns in order to improve revenue and the bottom line of the Group.</p>
Q8	<p>Which food business is the main profit contributor to the Group?</p> <p>The Chairman replied that Berjaya Starbucks Coffee Company Sdn Bhd is the main profit contributor to the Group.</p>
Q9	<p>How much does the Company incurred for hosting this virtual Annual General Meeting (“AGM”)?</p> <p>The Chairman informed that the estimated cost incurred by the Company for holding virtual AGM was about RM40,000 (excluding the cost of e-voucher to shareholders or proxies).</p>
Q10	<p>Is the Company planning to propose bonus issue?</p> <p>The Chairman replied that the Company has no plan to propose bonus issue at this juncture.</p>
Q11	<p>What is the same stores sales growth in terms of percentage for all of the food brand for the financial year ended 30 June 2021?</p> <p>The Chairman replied that the same stores sales growth for all of the food brand for financial year 2021 was about 4%.</p>

NO.	QUESTIONS AND ANSWERS
Q12	<p>The shareholder raised an enquiry on the Starbucks Applications (“Apps”). He informed that the users are unable to add more than 50 cards to their existing account after he has updated the Starbucks Apps. This has resulted inconveniences to the user.</p> <p>The Chairman thanked the shareholder for his feedback and great support to the Company. He informed that the Starbucks Management team will look into this matter.</p>
Q13	<p>Is the Company opening Kenny Roger Roasters (“KRR”) and Starbucks store at new Pavilion Bukit Jalil Mall?</p> <p>The CEO informed that Berjaya Starbucks Coffee Company Sdn Bhd has opened a Starbucks store at Pavilion Bukit Jalil Mall on 3 December 2021 while the plan on new KRR store opening is in the pipeline.</p> <p>The CEO added that the Management will also explore a few other new brands under the food business to be opened at Pavilion Bukit Jalil Mall.</p>
Q14	<p>How much rental rebates have been received by the Group for the financial year ended 30 June 2021 and the estimated rental rebates for year 2022?</p> <p>The CEO informed that the Group has received rental rebates of approximately RM15.0 million for the financial year ended 30 June 2021.</p> <p>With the strengthening of economy environment and the allowable dine-in at this point of time, the Company do not have an estimated amount for rental rebates for year 2022. However, the Management will continue to negotiate for rental rebates with the landlords.</p>
Q15	<p>Why the Company not giving up on Kenny Roger Roasters (“KRR”)?</p> <p>The Chairman informed that with the allowable dine-in and inter-state travel, the Management is confident that the KRR business momentum will resume and KRR will grow stronger for year 2022 as the economy resumes back to the new normal.</p>

NO.	QUESTIONS AND ANSWERS
Q16	<p>(a) What is the breakdown of cost among staff cost, raw material and other major component?</p> <p>(b) What is the impact of the rising cost of raw material and the mitigation measures?</p> <p>The CEO informed that the cost breakdown is quite equal in terms of percentage. The Management has entered into hedge contract for one (1) to two (2) years in advance especially on raw material. They have also worked through their supply chain strategy to minimize any cost escalation.</p> <p>The CEO added that majority of raw material of Starbucks was obtained from Starbucks Coffee International, Inc and the cost has been pre-negotiated on global basis. Thus, the rising of cost for raw material can be mitigated with this arrangement.</p>
Q17	<p>Please elaborate on the business scalability for Starbucks operations.</p> <p>The CEO informed that moving forward, the business scalability of Starbucks looks positive.</p> <p>In terms of location, the Management has ventured the Starbucks business from major towns to smaller towns. The outlets in most of the small towns performed exceptionally well during the pandemic. This has built the confidence to scale business into secondary market.</p> <p>In addition, Starbucks is also looking into different type of store formats for new stores. The existing stores formats are their Reserve Stores, Core Stores, Drive-Thru Stores and the Small Format Stores. Currently, the Management is concentrating on both Drive-thru Stores and new Small Format Stores.</p> <p>The CEO added that Starbucks has been collaborating with local and international designers on merchandise goods. There is a lot of merchandise collectors in the market to purchase the merchandise and support the brand strongly.</p> <p>The CEO further informed that Starbucks has a lot of marketing programmes and promotions to attract the customers.</p> <p>The CEO believes that with all these different business strategies in place, Starbucks will be able to scale their business to the next level of growth.</p>

NO.	QUESTIONS AND ANSWERS
<p>Q18</p>	<p>The shareholder has two and a half store shop-house located at Central of Temerloh town available to let.</p> <p>The Chairman informed that the Management will contact the shareholder in the event the Company wishes to rent the shop-house in Temerloh, Pahang.</p>
<p>Q19</p>	<p>The shareholder has raised the following enquiries on the Starbuck Applications (“Apps”) and the new Loyalty Reward Programme: -</p> <p>(a) Starbucks has previously allowed the user to remove the cards that had been dormant for three (3) years and above. He suggested Berjaya Starbucks Coffee Company Sdn Bhd to bring back this feature under the new Starbucks Reward Programme;</p> <p>(b) Since the change of the stars system from 200 to 300, he was dissatisfied especially when the consumers have to pay another RM50 for the planner. Is there a way to waive this as point earned during the earning period should be taken into account?</p> <p>The CEO informed that the Management has revamped the Starbucks Loyalty Programme and there was no glitches nor major issues on the refreshed programme to date.</p> <p>With the change from transaction-based to spend-based, the CEO explained that it will be easier for customers to earn rewards (STARS) under the refreshed Starbucks Reward Programme as they will be given the STARS with any purchase, including merchandises at any Starbucks stores throughout Malaysia. Prior to this, the reward is only given to the customer who purchase foods or beverages at Starbucks stores.</p> <p>The redemption qualifier is set to be slightly higher for more rewards options (eg food, drink, selected merchandise and etc) at any participating stores.</p>
<p>Q20</p>	<p>When will the Company resume back physical Annual General Meeting (“AGM”)?</p> <p>The Chairman informed that the Board is happy to engage with the shareholders at AGM. However, the Company is required to follow the guidance notes issued by Securities Commission on the conduct of general meeting for listed issuers. The Company will review the situation before considering the options for its future AGM.</p>

NO.	QUESTIONS AND ANSWERS
Q21	<p>What are the changes to the business of the Company upon appointment of Abdul Jalil Bin Abdul Rasheed (“Jalil”) as the group Chief Executive Officer (“CEO”) of Berjaya Corporation Berhad (“BCorp”)?</p> <p>The CEO informed that there were no changes in the business operation of the Company upon Jalil’s appointment as group CEO of BCorp. The Company is always supported by the Board of Directors, Board Committees and Management Team for the performance and affairs of the Company.</p>
Q22	<p>The shareholder has raised an issue on the personal shopper hoarding over Starbucks merchandise. He was unhappy over the products being sold out within minutes and often by personal shoppers. He suggested that Starbucks to set a purchase limit per day on merchandise goods.</p> <p>The CEO thanked the shareholder for being a supporter for Starbucks merchandise goods. He cited that it is difficult for Berjaya Starbucks Coffee Company Sdn Bhd to set a purchase limit to genuine customers who purchase the Starbucks merchandise goods. However, the Management will look into this matter and may consider increasing the quantity of merchandise goods moving forward in order to cater to the needs of every customer.</p>
Q23	<p>The shareholder requested the Company to upload the Company’s minutes of Annual General Meeting (“AGM”) to the website without disclosing the identity of shareholder or proxies for compliance of The Personal Data Protection Act.</p> <p>The Chairman informed that the Management will take note on the above when posting the Company’s minutes of AGM at the website.</p>
Q24	<p>How many active users of Starbucks Applications (“Apps”)?</p> <p>The shareholder suggested to Berjaya Starbucks Coffee Company Sdn Bhd to consider adding the following additional new features to the existing Starbucks Apps: -</p> <ul style="list-style-type: none"> (i) Reload money within the Starbucks Apps; and (j) Delivery or self-collect as per other App of Food and Beverage. <p>The CEO replied that the number of active users of new Starbucks Apps known as MyStarbucks Reward 2.0 Programme was about 3 million. Currently, the Management is in the midst of circulating over 10 million Starbucks cards in the market.</p> <p>The Management is constantly upgrading new features to the existing Starbucks Apps to further improve and enhance the needs of users. The main objective is to ensure that the Apps creates values and benefits loyal customers.</p>

NO.	QUESTIONS AND ANSWERS
Q25	<p>What is the Company’s policy on COVID-19 vaccination and the rate of the vaccination among the employees of the Company?</p> <p>The CEO informed that all employees of the Company must be fully vaccinated against COVID-19 to be in line with the applicable laws and regulations issued by the Ministry of Health. The employees can opt for either government or private distributed vaccines from the Company. As at to date, about 99% of the employees have been vaccinated (one dose or two doses or booster shots). The goal of the Company is to achieve a 100% vaccination rate.</p>
Q26	<p>Refer to Statement of Profit or Loss and Other Comprehensive Income as set out on Page 69 of the Company’s Annual Report 2021, the administrative expenses have been increased by 11.16% from RM223.731 million for the financial year ended (“FYE”) 30 June 2020 to RM248.695 million for the FYE 30 June 2021. This was not in tandem with the revenue growth of 13.33% from RM632.939 million to RM717.337 million from the FYE 30 June 2020 to FYE 30 June 2021.</p> <p>What are the major items for administrative expenses?</p> <p>The CEO informed that the major administrative expenses incurred for the FYE 30 June 2021 are higher with depreciation arising from the expansion and opening of new stores, increased delivery fees due to higher sales contribution from delivery and higher royalty fee in comparison as a result from the two (2) months loyalty fee relief granted by the franchisor namely, Starbucks Coffee International, Inc in the previous FYE 30 June 2020.</p>
Q27	<p>The shareholder wrote numerous complaint emails to the Management but there was no reply from Management to her emails. She then requested a complimentary Starbuck card for all stress and inconvenience caused.</p> <p>The Chairman informed that the Management has taken note of the feedback and will respond to her complaint emails soonest.</p>