

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 3rd Annual General Meeting of the members of QSR Brands Bhd will be held at Level 3, Wisma KFC, NO 17 Jalan Sultan Ismail, 50250 Kuala Lumpur on 29 August 2006 at 11.00 a.m, for the following purposes :

AGENDA

1. To receive and adopt the Audited Financial Statement of the Company for the year ended 31 December 2005 and the Reports of the Directors' and Auditors thereon. **Resolution 1**
2. To approve the payment of 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. (a) To re-elect the following Director retiring pursuant to Article 89:
 - (i) Dato' Dr Ridzuan bin Mohd Akil **Resolution 4**(b) To re-elect the following Directors retiring pursuant to Article 96:
 - (i) Toh Chun Wah **Resolution 5**
 - (ii) Tan Sri Dato' Muhammad Ali bin Hashim **Resolution 6**
 - (iii) Ahamad bin Mohamad **Resolution 7**
 - (iv) Jamaludin bin Md Ali **Resolution 8**
 - (v) YAM Dato' Seri Syed Amir Abidin Jamalullail Ibni Almarhum Tuanku Syed Putra Jamalullail **Resolution 9**
 - (vi) Mohammad bin Alwi **Resolution 10**
 - (vii) Wong Seng Lee **Resolution 11**
 - (viii) Sheik Sharufuddin bin Sheik Mohd **Resolution 12**
 - (ix) Kua Hwee Sim **Resolution 13**
5. To re-appoint Messrs Ernst & Young as Auditors of the Company and authorize the Directors to fix their remuneration. **Resolution 14**
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 15
 - (b) Proposed Renewal of Shareholders' Mandate for QSR and its subsidiaries to enter into Recurrent Related Party Transactions of a Revenue of Trading Nature with Related Parties (Proposed Shareholder's Mandate).

"THAT for the purpose 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 3 August 2006 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.

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." **Resolutions 16**

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

BY ORDER OF THE BOARD

Mohd Zam Bin Mustaman

Company Secretary (LS 0009020)

Kuala Lumpur

3 August 2006

NOTE:

- (1) A member of the Company entitled to attend and vote at the above Annual General Meeting ("AGM") may appoint a Proxy to attend and vote in his stead. A proxy may but need not be a member of the Company. If the proxy is not a member of the Company, the proxy shall be an advocate or an approved company auditor or person approved by the Registrar of Companies.
- (2) A member of the Company may appoint more than two (2) proxies to attend the AGM. Where a member of the Company appoints two or more proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholdings to be represented by each proxy.
- (3) The instrument appointing a Proxy must be deposited at the Company's Registrar Office, Epsilon Registration Services Sdn Bhd, 312, 3rd Floor, Block C, Kelana Square, 17, Jalan SS 7/26, 47301 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time for holding the Meeting or any adjournment thereof.

Notice of Dividend Entitlement

NOTICE IS ALSO HEREBY GIVEN that the final dividend of 4 sen less 28% Malaysian income tax per share will be paid on 19 September 2006 to depositors who are registered in the Record of Depositors at the close of business on 5 September 2006 if approved by members at the 3rd Annual General Meeting 29 August 2006. A Depositor shall qualify for entitlement only in respect of:

- (a) Shares transferred into the Depositor's Securities Account before 4.00pm on 5 September 2006 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.

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 conclusion of 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 Groups' 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 Audited Accounts 2005.