

Condensed Consolidated Statement of Comprehensive Income (Unaudited)
For the second quarter of financial year ending 31 December 2011

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year to Date	Preceding Year to Date
	30/06/2011 RM'000	30/06/2010 RM'000	30/06/2011 RM'000	30/06/2010 RM'000
Revenue	66,609	N/A	128,455	N/A
Cost of sales and direct expenses	(45,525)	N/A	(87,949)	N/A
Gross Profit	21,084	N/A	40,506	N/A
Other operating income	1,825	N/A	3,229	N/A
Investment revenue	287	N/A	328	N/A
Other gains and (losses)	4,922	N/A	4,956	N/A
Selling and distribution expenses	(7,758)	N/A	(14,200)	N/A
Administrative and general expenses	(4,965)	N/A	(8,877)	N/A
Other operating expenses	(8)	N/A	(25)	N/A
Profit From Operations	15,387	N/A	25,917	N/A
Finance costs	(176)	N/A	(792)	N/A
Share of profit/(loss) of associated companies	(117)	N/A	(439)	N/A
Profit Before Tax	15,094	N/A	24,686	N/A
Income tax expense	(2,291)	N/A	(5,066)	N/A
Profit For The Period	12,803	N/A	19,620	N/A
Translation of foreign operations	34	N/A	41	N/A
Total Comprehensive Income For The Period	12,837	N/A	19,661	N/A
Profit For The Period attributable to :				
Equity holders of the Company	12,787	N/A	19,604	N/A
Non-controlling interests	16	N/A	16	N/A
	12,803	N/A	19,620	N/A

Condensed Consolidated Statement of Comprehensive Income (Unaudited) (continued)
For the second quarter of financial year ending 31 December 2011

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year to Date	Preceding Year to Date
	30/06/2011 RM'000	30/06/2010 RM'000	30/06/2011 RM'000	30/06/2010 RM'000
Total Comprehensive Income For The Period attributable to :				
Equity holders of the Company	12,821	N/A	19,645	N/A
Non-controlling interests	16	N/A	16	N/A
	12,837	N/A	19,661	N/A
Earnings per share (EPS) Attributable to equity holders of the Company (sen):				
Basic EPS (sen)	7.61	N/A	11.67	N/A
Diluted EPS (sen)	7.61	N/A	11.67	N/A

NOTES :
a. N/A denotes not applicable.
b. No comparative figures are presented as this is the first quarterly report being announced after the Company listed on the Main Market of Bursa Malaysia Securities Berhad on 13 July 2011.
c. The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Proforma Consolidated Statements of Comprehensive Income and the Accountants' Report for the financial year ended 31 December 2010 as disclosed in the Prospectus of the Group dated 22 June 2011 and the accompanying notes attached to this interim financial report.

Condensed Consolidated Statement of Financial Position (Unaudited)

As at 30 June 2011

	Unaudited As At 30/06/2011 RM'000	Audited As At 31/12/2010 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	55,003	-
Prepaid lease payments	14,070	-
Investment properties	1,800	-
Investment in associated companies	1,599	129
Other investments	29	-
Deferred tax assets	1,120	-
Intangible assets	49,104	-
Total Non-Current Assets	122,725	129
CURRENT ASSETS		
Inventories	13,436	-
Trade and other receivables	38,214	978
Amount owing by ultimate holding company	2,628	-
Amount owing by associated companies	2,544	180
Current tax assets	1,214	6
Fixed deposits, cash and bank balances	35,960	121
Total Current Assets	93,996	1,285
TOTAL ASSETS	216,721	1,414
EQUITY		
Share capital	266,606	*Note 1* -
Retained earnings	85,083	(1,410)
Reserve arising from restructuring	(222,654)	-
Reserve arising from foreign exchange	21	(9)
	129,056	(1,419)
Non-controlling interests	213	-
	129,269	(1,419)

Condensed Consolidated Statement of Financial Position (Unaudited) (continued)
As at 30 June 2011

	Unaudited As At 30/06/2011 RM'000	Audited As At 31/12/2010 RM'000
NON-CURRENT LIABILITIES		
Hire-purchase payables	2,220	-
Borrowings	19,555	-
Deferred income	2,566	-
Deferred capital grant	59	-
Deferred tax liabilities	2,186	-
Total Non-Current Liabilities	26,586	-
CURRENT LIABILITIES		
Trade and other payables	51,658	2,833
Amount owing to ultimate holding company	25	-
Amount owing to directors	4	-
Hire-purchase payables	706	-
Borrowings	2,440	-
Deferred income	1,255	-
Deferred capital grant	24	-
Current tax liabilities	4,754	-
Total Current Liabilities	60,866	2,833
TOTAL LIABILITIES	87,452	2,833
TOTAL EQUITY AND LIABILITIES	216,721	1,414
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.77	(709,500)

NOTES :
a. The audited figures as at 31 December 2010 refer to Oldtown Berhad's Group figures prior to the Acquisitions and Public Issue.
b. The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Proforma Consolidated Statement of Financial Position and the Accountants' Report for the financial year ended 31 December 2010 as disclosed in the Prospectus of the Group dated 22 June 2011 and the accompanying notes attached to this interim financial report.
c. Note I : Share capital of RM2.00.

Condensed Consolidated Statement of Changes in Equity (Unaudited)
For the second quarter of financial year ending 31 December 2011

	Attributable to Equity Holders of the Company					Non-controlling Interests RM'000	Total Equity RM'000
	Non-distributable			Distributable	Total RM'000		
	Share Capital RM'000	Reserve arising from Restructuring RM'000	Reserve arising from Foreign Exchange RM'000	Retained Earnings RM'000			
Period Ended 30 June 2011							
At 01/01/2011	(Note I) -	-	(20)	65,479	65,459	-	65,459
<u>Arising from the restructuring exercise :</u>							
Acquisition of subsidiaries (Note II)	39,354	-	-	-	39,354	197	39,551
Acquisition of subsidiaries (Note III)	227,252	(222,654)	-	-	4,598	-	4,598
Exchange difference arising from foreign subsidiary company	-	-	41	-	41	-	41
Total comprehensive income for the period	-	-	-	19,604	19,604	16	19,620
At 30/06/2011	266,606	(222,654)	21	85,083	129,056	213	129,269

NOTES :

- The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Proforma Consolidated Statements of Financial Information and the Accountants' Report for the financial year ended 31 December 2010 as disclosed in the Prospectus of the Group dated 22 June 2011 and the accompanying notes attached to this interim financial report.
- Note I : opening share capital of RM2.00.
- Note II : Subsidiary companies as disclosed in Note A2(i) are consolidated under the acquisition method.
- Note III : Subsidiary companies as disclosed in Note A2(ii) are consolidated under common control combination

Condensed Consolidated Statement of Cash Flow (Unaudited)
For the second quarter of financial year ending 31 December 2011

	6 months period ended 30 June 2011 RM'000	6 months period ended 30 June 2010 RM'000
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Profit for the period	19,620	N/A
Adjustments	6,405	N/A
Operating profit before changes in working capital	26,025	N/A
(Increase) / Decrease in working capital	(7,225)	N/A
Cash generated from operations	18,800	N/A
Interest income received	7	N/A
Income tax paid	(4,520)	N/A
NET CASH GENERATED FROM OPERATING ACTIVITIES	14,287	N/A
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES	(1,162)	N/A
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES	1,827	N/A
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	14,952	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	17,003	N/A
Effect of exchange difference	32	N/A
CASH AND CASH EQUIVALENTS AT END OF PERIOD	31,987	N/A
Cash and cash equivalents comprise the following :		
Fixed deposits with licensed banks	4,041	N/A
Cash on hand and at banks	31,919	N/A
	35,960	N/A
Less : Fixed deposits on lien	(3,973)	N/A
Cash and cash equivalents	31,987	N/A

NOTES :
a. N/A denotes not applicable.
b. No comparative figures are presented as this is the first quarterly report being announced after the Company listed on the Main Market of Bursa Malaysia Securities Berhad on 13 July 2011.
c. The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Proforma Consolidated Statement of Cash Flow and the Accountants' Report for the financial year ended 31 December 2010 as disclosed in the Prospectus of the Group dated 22 June 2011 and the accompanying notes attached to this interim financial report.

Quarterly financial report (unaudited)

For the second financial quarter of financial year ending 31 December 2011

PART A - Explanatory Notes Pursuant To Financial Reporting Standard (“FRS”) 134, Interim Financial Reporting

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134 : Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This is the first interim financial report on the consolidated results for the second quarter ended 30 June 2011 announced by the Company in compliance with the Listing Requirements. As such, there are no comparative figures for the preceding year’s corresponding quarter and period.

The interim financial report should be read in conjunction with the Proforma Consolidated Financial Information and the Accountants’ Report for the financial year ended 31 December 2010 as disclosed in the Prospectus of the Company dated 22 June 2011 and the accompanying notes attached to this interim financial report.

A2. Significant Accounting Policies

The significant accounting policies adopted by the Group are consistent with those of the audited financial statements for the year ended 31 December 2010. The Group adopted all new and revised Financial Reporting Standards (“FRSs”) and Issues Committee Interpretation (“IC Interpretations”) that are relevant to the operations for financial periods beginning on or after 1 July 2010. The adoption of the new and revised FRSs and IC Interpretations have not resulted in material changes to the Group’s accounting policies. A summary for FRSs and IC Interpretations effective for the financial year ending 31 December 2011 is as follows:

MASB FRS/ IC Int./TR		Effective date (annual periods beginning on or after)
FRS 1	First-time Adoption of Financial Reporting Standards (revised in 2010)	1 July 2010
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards – Limited Exemption from Comparative FRS 7 disclosures for First-time Adopters	1 January 2011
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards – Additional Exemptions for First-time Adopters	1 January 2011
Amendment to FRS 1 (Note 2)	First-time Adoption of Financial Reporting Standards -Accounting policy changes in the year of adoption -Revaluation basis as deemed cost -Use of deemed cost for operations subject to rate regulation	1 January 2011

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PART A - Explanatory Notes Pursuant To Financial Reporting Standard (“FRS”) 134, Interim Financial Reporting

A2. Significant Accounting Policies (continued)

MASB FRS/ IC Int./TR		Effective date (annual periods beginning on or after)
Amendment to FRS 2 (Note 1)	Share-based Payment – Scope of FRS 2 and revised FRS 3	1 July 2010
Amendment to FRS 2	Share-based Payment – Group Cash-settled Share- based Payment Transactions	1 January 2011
FRS 3	Business Combinations (revised in 2010)	1 July 2010
Amendment to FRS 3 (Note 2)	Business Combinations (revised in 2010) -Measurement of non-controlling interests -Un-replaced and voluntarily replaced share-based payment awards	1 January 2011
Amendment to FRS 5 (Note 1)	Non-current Assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary	1 July 2010
Amendment to FRS 7	Financial Instruments : Disclosures – Improving Disclosures about Financial Instruments	1 January 2011
Amendment to FRS 7 (Note 2)	Financial Instruments : Disclosures -Clarification of disclosures -Transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised FRS (consequential amendments arising from Improvements to FRSs (2010) – FRS3)	1 January 2011
Amendment to FRS 101 (revised 2009) (Note 2)	Presentation of Financial Statements -Clarification of statement of changes in equity	1 January 2011
Amendment to FRS 121 (Note 2)	The Effect of Changes in Foreign Exchange Rates – Transition requirements arising as a result of FRS 127 (revised in 2010)	1 January 2011
FRS 127	Consolidated and Separate Financial Statements (revised in 2010)	1 July 2010
Amendment to FRS 128 (Note 2)	Investments in Associates – Transition requirements arising as a result of FRS 127 (revised in 2010)	1 January 2011
Amendment to FRS 131 (Note 2)	Interests in Joint Ventures – Transition requirements arising as a result of FRS 127 (revised in 2010)	1 January 2011

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A2. Significant Accounting Policies (continued)

MASB FRS/ IC Int./TR		Effective date (annual periods beginning on or after)
Amendment to FRS 132	Financial Instruments : Presentation – Classification of Rights Issues	1 March 2010
Amendment to FRS 132 (Note 2)	Financial Instruments : Presentation – Transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised FRS (consequential amendments arising from Improvements to FRSs (2010)-FRS 3)	1 January 2011
Amendment to FRS 134 (Note 2)	Interim Financial Reporting – Significant events and transactions	1 January 2011
Amendment to FRS 138 (Note 1)	Intangible Assets – Additional consequential amendments arising from FRS 3 (revised in 2010)	1 July 2010
Amendment to FRS 139	Financial Instruments : Recognition and Measurement – Consequential amendments arising from FRS 3 (revised in 2010) and FRS 127 (revised in 2010)	1 July 2010
Amendment to FRS 139 (Note 2)	Financial Instruments : Recognition and Measurement – Transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised FRS (consequential amendments arising from Improvements to FRSs (2010)-FRS 3)	1 January 2011
IC Int. 4	Determining Whether an Arrangement Contains a Lease	1 January 2011
Amendment to IC Int. 9 (Note 1)	Reassessment of Embedded Derivatives – Scope of IC Int. 9 and FRS 3 (revised in 2010)	1 July 2010
IC Int. 12	Service Concession Arrangements	1 July 2010
Amendment to IC Int. 13 (Note 2)	Customer Loyalty Programmes – Fair value of award credits	1 January 2011
Amendment to IC Int. 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction – Prepayments of a Minimum Funding Requirement	1 July 2011
IC Int. 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Int. 17	Distributions of Non-cash Assets to Owners	1 July 2010

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A2. Significant Accounting Policies (continued)

MASB FRS/ IC Int./TR		Effective date (annual periods beginning on or after)
IC Int. 18	Transfers of Assets from Customers	1 January 2011 (Note 3)
IC Int. 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
TR 3	Guidance on Disclosures of Transition to IFRSs	31 December 2010
TR i-4	Shariah Compliant Sale Contracts	1 January 2011
Note 1	Amendments arising from Improvements to FRSs issued in January 2010 which incorporated both of IASB’s annual improvements issued in May 2008 and April 2009	
Note 2	Amendments arising from Improvements to FRSs issued in November 2010 which incorporated IASB’s annual improvements issued in May 2010	
Note 3	Applies prospectively to transfer of assets received on or after the date specified	

Basis of Consolidation

(i) Business combination

Financial statements of subsidiary companies are consolidated using the acquisition method of accounting. Under the acquisition method, the results of the subsidiary companies acquired are included in the consolidated profit or loss from the effective date of acquisition. On acquisition, the assets and liabilities of the relevant subsidiary companies are measured at their fair values at the date of acquisition.

In this Interim Financial Reporting, the results of the following subsidiary companies are consolidated from the effective date of acquisition on 16 May 2011 up to the quarterly reporting date ended on 30 June 2011.

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PART A - Explanatory Notes Pursuant To Financial Reporting Standard (“FRS”) 134, Interim Financial Reporting

A2. Significant Accounting Policies (continued)

The subsidiary companies are:

- (1) Emperor's Kitchen Sdn Bhd
- (2) Esquire Chef Sdn Bhd
- (3) Old Town Kopitiam Butterworth Sdn Bhd
- (4) Old Town Kopitiam Kuala Lumpur Sdn Bhd
- (5) Old Town Kopitiam Cheras Sdn Bhd
- (6) Dynasty Confectionery Sdn Bhd
- (7) Dynasty Kitchen Sdn Bhd
- (8) Connezone Sdn Bhd.

(ii) Business combinations involving common control entities

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties, both before and after the business combination, and that control is not transitory.

The consolidated financial statements incorporate the financial statements items of the combining entities in which the common control combination occurs as if they had been combined from the date when the combining entities first came under the control of the controlling parties.

In this Interim Financial Reporting, the results of the following subsidiary companies are consolidated throughout the entire financial period from 1 January 2011 to 30 June 2011.

The subsidiary companies are:

- (1) White Cafe Sdn Bhd
- (2) Gongga Food Sdn Bhd
- (3) White Cafe Marketing Sdn Bhd
- (4) Kopitiam Asia Pacific Sdn Bhd
- (5) Oldtown Singapore Pte Ltd
- (6) Old Town Kopitiam Sdn Bhd.

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A3. Comments about Seasonal or Cyclical Factors

Generally there is no seasonality for our chain of café outlets as well as our instant coffee mix and tea manufacturing operations. The Group’s business operations and performance are not subject to seasonal or cyclical factors for the current quarter under review.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting assets, liabilities, equities, net income or cash flows that are unusual because of their nature, size or incidence during the quarter under review.

A5. Material Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current quarter.

A6. Debt and Equity Securities

Save as disclosed below, there were no issuances, cancellations, repurchases and repayments of debt and equity securities for the current quarter.

Date of Allotment	Number of shares Allotted	Par Value (RM)	Consideration	Cumulative Issued and Paid-up Share Capital (RM)
30.11.2007	2	1.00	Cash	2
16.05.2011	266,605,998	1.00	Acquisitions	266,606,000

On 22 June 2011, the Company issued a Prospectus for the public issue of 63,394,000 new Shares (“Public Issue”) and offer for sales of 33,000,000 shares (“Offer for Sale”) at an issue and offer price of RM1.25 per Share (“IPO Price”) payable in full on application pursuant to its listing on the Main Market of Bursa Malaysia Securities Berhad.

(i) Public Issue

The Public Issue of 63,394,000 new Shares at the IPO Price is payable in full on application upon such terms and conditions as set out in the Prospectus dated 22 June 2011 and will be allocated in the following manner:-

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PART A - Explanatory Notes Pursuant To Financial Reporting Standard (“FRS”) 134, Interim Financial Reporting

A6. Debt and Equity Securities (continued)

(a) Malaysian Public

10,000,000 Public Issue Shares, representing approximately 3.0% of the enlarged issued and paid-up share capital of the Company, to be allotted by way of balloting, will be made available for application by Malaysian citizens, companies, co-operatives, societies and institutions whereby 50% of these 10,000,000 Public Issue Shares will be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions.

(b) Eligible Directors, Employees and Business Associates of our Group

5,000,000 Public Issue Shares representing approximately 1.5% of the enlarged issued and paid-up share capital of our Company will be made available for application by eligible Directors, employees and business associates of the Group.

(c) Identified Investors

48,394,000 Shares, representing approximately 14.7% of the enlarged issued and paid up share capital of the Company will be issued via private placement to identified investors. Out of these 48,394,000 shares, 36,250,000 shares (representing approximately 11.0% of the enlarged issued and paid up share capital of the Company), will be reserved for Bumiputera investors approved by MITI.

(ii) Offer For Sale

The Offer for Sale of 33,000,000 Shares by Old Town International Sdn Bhd (being the Selling Shareholder), representing 10.0% of the enlarged issued and paid-up share capital of the Company, will be offered at the Offer Price, payable in full upon application, via private placement to identified investors.

The issued and paid up share capital of the Company was subsequently increased from 266,606,000 shares to 330,000,000 shares pursuant to the Public Issue which was completed on 13 July 2011.

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A7. Dividend Paid

No dividend has been paid in the financial period under review.

A8. Segment Information

The Group’s operations can be segmented by business activities namely :

- (a) Operation of a chain of cafes;
- (b) Manufacturing of coffee and other beverages and
- (c) Others (investment holding and provision of management services)

The segment information is as follows:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year to Date	Preceding Year to Date
	30/06/2011 RM'000	30/06/2010 RM'000	30/06/2011 RM'000	30/06/2010 RM'000
Revenue				
- Operation of Café Chain	39,565	N/A	76,657	N/A
- Manufacturing of Beverages	26,971	N/A	51,725	N/A
- Others	73	N/A	73	N/A
	66,609	N/A	128,455	N/A
Profit Before Tax				
- Operation of Café Chain	10,244	N/A	15,661	N/A
- Manufacturing of Beverages	5,223	N/A	9,443	N/A
- Others	(373)	N/A	(418)	N/A
	15,094	N/A	24,686	N/A

NOTES :

a. N/A denotes not applicable.

b. No comparative figures are presented as this is the first quarterly report being announced after the Company listed on the Main Market of Bursa Malaysia Securities Berhad on 13 July 2011.

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A9. Valuation of Property, Plant and Equipment

The Group did not carry out any revaluation on its property, plant and equipment during the current quarter.

A10. Material Events Subsequent to the End of the Interim Period

Save as disclosed in Section B8 on the Status of Corporate Proposals, there were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements for the current quarter.

A11. Changes in the Composition of the Group

In conjunction with the listing and quotation for the entire enlarged issued and paid-up share capital of 330,000,000 ordinary shares of RM1.00 each on the Main Market of Bursa Malaysia Securities Berhad, the Company had acquired the entire issued and paid-up share capital of the following companies:

- (i) Acquired 100% equity interest of Emperor’s Kitchen Sdn Bhd on 16 May 2011 for a total purchase consideration of RM16,353,000 by an issuance of 8,176,000 new Oldtown shares at par value and the balance of the consideration, amounting to RM8,177,000 by way of cash.
- (ii) Acquired 100% equity interest of Esquire Chef Sdn Bhd on 16 May 2011 for a total purchase consideration of RM10,759,000 by an issuance of 5,380,000 new Oldtown shares at par value and the balance of the consideration, amounting to RM5,379,000 by way of cash.
- (iii) Acquired 100% equity interest of Old Town Kopitiam Butterworth Sdn Bhd on 16 May 2011 for a total purchase consideration of RM14,964,477 by an issuance of 5,985,000 new Oldtown shares at par value and the balance of the consideration, amounting to RM8,979,477 by way of cash.
- (iv) Acquired 100% equity interest of Old Town Kopitiam Kuala Lumpur Sdn Bhd on 16 May 2011 for a total purchase consideration of RM2,135,810 by an issuance of 1,495,000 new Oldtown shares at par value and the balance of the consideration, amounting to RM640,810 by way of cash.

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A11. Changes in the Composition of the Group (continued)

- (v) Acquired 100% equity interest of Dynasty Confectionery Sdn Bhd on 16 May 2011 for a total purchase consideration of RM4,179,000 by an issuance of 2,507,000 new Oldtown shares at par value and the balance of the consideration, amounting to RM1,672,000 by way of cash.
- (vi) Acquired 100% equity interest of Old Town Kopitiam Cheras Sdn Bhd on 16 May 2011 for a total purchase consideration of RM11,911,000 by an issuance of 11,911,000 new Oldtown shares at par value.
- (vii) Acquired 80% equity interest of Conneczone Sdn Bhd on 16 May 2011 for a total purchase consideration of RM3,900,000 by an issuance of 3,900,000 new Oldtown shares at par value.
- (viii) Acquired 100% equity interest of White Cafe Sdn Bhd on 16 May 2011 for a total purchase consideration of RM62,263,998 by an issuance of 62,263,998 new Oldtown shares at par value.
- (ix) Acquired 100% equity interest of Gongga Food Sdn Bhd on 16 May 2011 for a total purchase consideration of RM69,825,000 by an issuance of 69,825,000 new Oldtown shares at par value.
- (x) Acquired 100% equity interest of White Cafe Marketing Sdn Bhd on 16 May 2011 for a total purchase consideration of RM21,156,000 by an issuance of 21,156,000 new Oldtown shares at par value.
- (xi) Acquired 100% equity interest of Kopitiam Asia Pacific Sdn Bhd on 16 May 2011 for a total purchase consideration of RM66,230,000 by an issuance of 66,230,000 new Oldtown shares at par value.
- (xii) Acquired 100% equity interest of Oldtown Singapore Pte Ltd on 16 May 2011 for a total purchase consideration of RM6,676,000 by an issuance of 6,676,000 new Oldtown shares at par value.

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A11. Changes in the Composition of the Group (continued)

- (xiii) Acquired 40% equity interest of OTK Eatery Sdn Bhd on 16 May 2011 for a total purchase consideration of RM1,101,000 by an issuance of 1,101,000 new Oldtown shares at par value.

The impact arising from the changes in the composition of the entity is as follows:

	As disclosed in the Condensed Consolidated Statement of Comprehensive Income	As if the acquisition date for all business combinations that took effect during the reporting period had been at the beginning of the year
	current year to date	current year to date
	30/06/2011 RM'000	30/06/2011 RM'000
Revenue	128,455	142,735
Gross profit	40,506	46,342
Profit before tax	24,686	29,174
Profit for the period	19,620	22,821
Profit attributable to :		
Equity holders of the Company	19,604	22,778
Non-controlling interests	16	43
	19,620	22,821
Earnings per share (EPS) Attributable to equity holders of the Company (sen):		
Basic EPS (sen)	11.67	13.56

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A12. Changes in Contingent Liabilities or Contingent Assets

Save as set out below, there were no changes in contingent liabilities and contingent assets since the end of the last annual reporting period.

A subsidiary company entered into non-cancellable operating lease rental agreements with a third party on behalf of its franchisees. The lease rentals are borne by the respective franchisees and run for a period of three years. The directors are of the opinion that provisions are not required in respect of this matter, as it is not probable that there will be an outflow of resources embodying economic benefits.

	As At 30 June 2011 RM'000
Less than one year	1,769
Between one to five years	928
Total	2,697

A13. Related Party Transactions

The related party transactions entered into by the Group are recurrent transactions of revenue or trading in nature (“RRPTs”). Bursa Malaysia Securities Berhad has granted an extension of time from 13 July 2011 (date of listing) to the next Annual General Meeting or Extraordinary General Meeting, whichever is held earlier, to obtain shareholders’ ratification and shareholders’ mandate for RRPTs entered/to be entered into by the Company and its subsidiaries.

A14. Capital Commitments

The capital commitments for property, plant and equipment not provided for as at 30 June 2011 were as follows:

	As at 30 June 2011 RM'000
Approved and contracted for	10,068
Approved but not contracted for	-
Total capital commitments	10,068

Quarterly financial report (unaudited)**For the second financial quarter of financial year ending 31 December 2011****PART B - Explanatory Notes Pursuant To The Listing Requirements of Bursa Malaysia Securities Berhad**

B1. Review of Performance

The Group registered revenue of RM128.5 million and profit before tax of RM24.7 million for the financial year to date. The Group's revenue and profit before tax were mainly derived from café chain operation which recorded RM76.7 million and RM15.7 million respectively. The Group's manufacturing of beverages division reported revenue of RM51.7 million and profit before tax of RM9.4 million for the financial year to date. There was a gain on disposal of investment in associated companies of RM5.1 million (non-recurring item) recorded by one of the subsidiary companies.

B2. Variation of Results against Preceding Quarter

There were no comparative figures presented for the immediate preceding quarter as this is the first consolidated results of the Group being prepared by the Company.

B3. Commentary on Prospects

As disclosed in the Prospectus dated 22 June 2011, the future plans of the Group are focused in three key areas namely:

- (i) Expansion of café outlets in the local market, Singapore and Indonesia;
- (ii) Venture into new and existing export markets for beverages and
- (iii) Construction of new manufacturing and food processing plant.

In line with the above, the Group's chain of café outlets has reached 187 outlets as at the date of this report as compared to 182 outlets as at 18 May 2011 (being the latest practicable date prior to the publication of the Prospectus).

The piling work for the new plant is expected to be completed by mid-September 2011, thereafter; the construction of the first phase of the entire project will commence after the completion of the piling work.

The outlook for both the café chain operation and manufacturing of beverages segments are expected to be satisfactory as the Group is actively securing new overseas markets and opening of more café outlets.

Barring any unforeseen circumstances, the Board of Directors envisages that the Group will be able to achieve continuing growth and profitability.

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PART B - Explanatory Notes Pursuant To The Listing Requirements of Bursa Malaysia Securities Berhad

B4. Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in any public document.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year to Date	Preceding Year to Date
	30/06/2011 RM'000	30/06/2010 RM'000	30/06/2011 RM'000	30/06/2010 RM'000
Income tax	2,799	N/A	5,574	N/A
Deferred tax	(508)	N/A	(508)	N/A
Total tax expense	2,291	N/A	5,066	N/A

The Group's effective tax rate of 20.9% was lower than the statutory corporate tax rate of 25% mainly due to:

- (a) Certain expenses eligible for double deduction tax incentives and
- (b) The gain on disposal of investment in associated companies by one of the subsidiary companies which is not subjected to tax.

B6. Profit / (Loss) on Sale of Unquoted Investment and / or Properties

One of the subsidiary companies disposed of its shares in associated companies in the current quarter which resulted in a gain of RM5,070,287 in conjunction with the listing scheme as disclosed in note A6 above.

Save as disclosed above, there was no other sale of unquoted investments and / or properties in the current quarter and financial year to date.

B7. Purchase or Disposal of Quoted Securities

There was no purchase or disposal of quoted securities for the current quarter.

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PART B - Explanatory Notes Pursuant To The Listing Requirements of Bursa Malaysia Securities Berhad

B8. (A) Status of Corporate Proposals

In conjunction with, and as an integral part of the listing and quotation for the entire issued and paid-up share capital on the Main Market of Bursa Malaysia Securities Berhad, the Group has carried out the following:

(i) Acquisitions

The details of the acquisitions of companies are disclosed in note A11 of the interim financial report. The acquisitions were completed on 16 May 2011.

(ii) Initial Public Offering (“IPO”)

The details of IPO exercise are disclosed in A6 of the interim financial report.

(iii) Listing of Shares

The entire enlarged issued and paid-up capital of the Company was successfully listed on the Main Market of Bursa Malaysia Securities Berhad on 13 July 2011.

B8. (B) Status of Utilization of Proceeds

The Public Issue Shares of 63,394,000 new shares in conjunction with the listing on the Main Market of Bursa Malaysia Securities Berhad raised total gross proceeds of RM79.243 million.

The status of utilization of the proceeds as at the date of this quarterly announcement is as follows:

	Purpose	Proposed Utilization (RM'000)	Actual Utilization (RM'000)	Intended Timeframe for Utilization	Deviation (RM'000)
(i)	Acquisitions of Companies	19,718	19,718	within 3 months	-
(ii)	Repayment of bank borrowings	5,897	-	within 6 months	N/A
(iii)	Capital Expenditure	38,083	-	within 24 months	N/A
(iv)	Working capital	10,545	-	within 24 months	N/A
(v)	Estimated listing expenses	5,000	5,000	immediate	-
		79,243	24,718		

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PART B - Explanatory Notes Pursuant To The Listing Requirements of Bursa Malaysia Securities Berhad

B8. (B) Status of Utilization of Proceeds (continued)

Notes:

- (a) The gross proceeds arising from the Offer For Sales was accrued entirely to the Offeror and no part of the proceeds was received by the Company.
- (b) IPO proceeds will be utilized within the estimated timeframe. The Group does not expect any material deviation as at the date of this report.
- (c) The total listing expenses was RM5.5 million. The excess has been funded by internal generated funds.

B9. Borrowings and Debt Securities

Details of the Group's borrowings as at 30 June 2011 are as follows :

	Secured RM'000	Unsecured RM'000	Total RM'000
Current			
- Bankers' Acceptance	5	-	5
- Term Loan	2,139	296	2,435
- Hire-purchase payables	706	-	706
	2,850	296	3,146
Non-current			
- Term Loan	18,918	637	19,555
- Hire-purchase payables	2,220	-	2,220
	21,138	637	21,775
	23,988	933	24,921

The Group does not have foreign currency borrowings.

B10. Off Balance Sheet Financial Instruments

There are no off balance sheet financial instruments as at the date of this report.

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PART B - Explanatory Notes Pursuant To The Listing Requirements of Bursa Malaysia Securities Berhad

B11. Changes in Material Litigation

Save as disclosed below, the Group is presently not engaged whether as plaintiff or defendant in any legal action, proceeding, arbitration or prosecution for any criminal offence, which has a material effect on the financial position of the Group and the Directors do not know of any proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group.

Kuala Lumpur High Court Originating Summons No. D-24NCC(ARB)-15-2010

On 22 December 2010, Kopitiam Asia Pacific had commenced a legal proceeding to seek an injunction against Poly Vision F&B Enterprise and Ked Chin Siong (the franchisee of OLDTOWN WHITE COFFEE café outlet) (the “Franchisee”) to prevent the Franchisee from using its “The Oldtown White Coffee” trade name and its “OLDTOWN WHITE COFFEE” trade mark for their restaurant business.

On 28 February 2011, the said injunction has been granted by the Kuala Lumpur High Court to Kopitiam Asia Pacific. The solicitors, representing Kopitiam Asia Pacific, have extracted the order in relation to the said injunction and served the same to the Franchisee.

B12. Dividend

The Board of Directors declared an interim dividend of 2.5 sen per share under the single tier system for the financial year ending 31 December 2011.

The interim dividend will be paid on 18 October 2011 to shareholders whose names appear on the Record of Depositors of the Company at the close of business on 21 September 2011.

A Depositor shall qualify for entitlement to the interim dividend only in respect of:-

- a. Shares transferred into the Depositors’ Securities Account before 4.00p.m. on 21 September 2011 in respect of transfers.
- b. Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

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PART B - Explanatory Notes Pursuant To The Listing Requirements of Bursa Malaysia Securities Berhad

B13. Earnings per Share

Earnings per Share

The basic and diluted EPS are calculated by dividing the profit for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Quarter	Current Year to Date	Preceding Year to Date
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
<u>Earnings Per Share ("EPS")</u>				
Net profit attributable to equity holders of the Company (RM'000)	12,787	N/A	19,604	N/A
Weighted average number of ordinary shares in issue ('000)	167,998	N/A	167,998	N/A
Basic EPS (sen)	7.61	N/A	11.67	N/A
Diluted EPS (sen)	7.61	N/A	11.67	N/A

B14. Realised and Unrealised Profits/Losses Disclosure

The breakdown of the retained profits of the Group into realized and unrealized profits is as follows:

	As At 30 June 2011 RM'000	As At 31 December 2010 RM'000
Total retained profits of the Company and its subsidiaries :		
- Realised	87,903	N/A
- Unrealised	(1,003)	N/A
	86,900	N/A
Total share of accumulated losses from associated companies:		
- Realised	(443)	N/A
- Unrealised	(29)	N/A
	(472)	N/A
Less : consolidation adjustments	(1,345)	N/A
Group's retained profits as per consolidated financial statements	85,083	N/A

Note : Comparative figures are not required in the first financial year of complying with the Realised and Unrealised Profits/Losses Disclosures.

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PART B - Explanatory Notes Pursuant To The Listing Requirements of Bursa Malaysia Securities Berhad

B15. Audit Report of Preceding Annual Financial Statements

The preceding year's annual audited financial statements of the Group were not subject to any qualification.

B16. Authorization for Issue

The interim financial report was duly reviewed by Audit Committee and approved by the Board of Directors on 26 August 2011.

By Order of the Board

Ng Yuet Seam
Company Secretary
26 August 2011