
1994
Prestige Holdings Ltd.
acquires Pizza Hut
1999
Prestige Holdings Ltd.
acquires T.G.I. FRiDAY'S
1984
KFC Hot & Spicy
recipe introduced
1980
KFC drive-thru
launched
1973
Prestige Holdings Ltd.
acquires KFC franchise
2012
Prestige Holdings Ltd.
acquires Subway
franchise
2013...
"The rings of a tree are as much a measure of growth
and ever increasing strength as they are a record of time.
The 40 years of milestones and achievements of Prestige Holdings Ltd.
document a proud history of accomplishment and success which are
as much a celebration of what we have done as an assertion of our
right and ability to lay claim to the future.
Our destiny rings out."

OUR VISION

To be in the hearts and minds of our Customers for every eating experience.

2012

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PRESTIGE HOLDINGS LTD.

A Restaurant Management Company

40

Years of Satisfaction

KFC

Pizza Hut

T.G.I. FRiDAY'S

SUBWAY

NOTICE OF ANNUAL MEETING

NOTICE IS HEREBY GIVEN that the **ANNUAL MEETING OF SHAREHOLDERS OF PRESTIGE HOLDINGS LTD. ("the Company")** will be held at No. 22 London Street, Port of Spain on Wednesday 24 April, 2013 at 10.00 a.m. for the following purposes:-

ORDINARY BUSINESS:

1. To receive and consider the Audited Financial Statements of the Company and its subsidiaries for the year ended 30 November, 2012 together with the Reports of the Directors and Auditors thereon.

2. To declare a final dividend of twelve cents per common share.

3. To re-elect Mrs. Angela Lee Loy a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company for the term from the date of her election until the close of the third Annual Meeting of the Company following her election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.

4. To re-elect Mr. Christian Mouttet a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company for the term from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.

5. To re-elect Mr. Charles Pashley a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company for the term from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.

6. To appoint Messrs. PricewaterhouseCoopers as the Auditors of the Company to hold office until the close of the next Annual Meeting and to empower the Directors to determine their remuneration.

SPECIAL BUSINESS:

7. To confirm the amendments to Clause 8 and Clause 11 of the Company's Share Option Plan for Directors and Management ("MSOP") , as proposed by the Directors at their meeting of Friday 18 January, 2013:

   a) To reduce the minimum number of Option Shares which Eligible Employees under the MSOP may be granted from 5,000 to 900 Option Shares in a single option and to provide for the prescribed minimum and maximum Option Shares to Employees and Non-Executive Directors to apply to one option; and
   b) To increase the maximum number of Shares available for Options as prescribed in Rule 11 from 3,000,000 to 5,000,000 and remove the provision on the maximum number Option Shares to Eligible Persons who are Non-Executive Directors (which is already stated in Clause 8);-

   in the following manner:-

   (1) By deleting Clause 8 and replacing it with the following new Rule 8 as follows:

   8. No Option shall be granted:-
      (i) to an Eligible Person or Grantee being an employee of the Company for less than 900 or for more than 150,000 Option Shares in any one option;

Notice of Annual Meeting - *continued*

(ii) to an Eligible Person or Grantee being a Non-Executive Director of the Company for less than 3,000 or for more than 25,000 Option Shares in any one option,

Provided however that any Eligible Person or Grantee may be granted more than one Option which may exceed in total 150,000 Option Shares for an employee of the Company and 25,000 Option Shares for a Non-Executive Director of the Company, subject however to the maximum number of Option Shares available under Clause 11.

(2) By deleting Clause 11 and replacing it with the following new Clause 11 as follows:.

Clause 11. The maximum aggregate number of Option Shares comprised in this Plan in respect of which Options may be granted shall, subject to adjustment by the Auditors under **Clause 9** hereof, be *5,000,000 Option Shares*. Option Shares in respect of which Options can no longer be exercised shall be available for subsequent Options granted under the Plan.

8. To approve the issuance of up to a maximum of 9,000,000 common shares of the Company to the public.

Dated: 27 March, 2013.

By Order of the Board

Marlon Danglade
Company Secretary
Nos. 47-49 Sackville Street,
Port of Spain,
Trinidad, West Indies.

Notes:

1. No service contracts were entered into between the Company (or any of its subsidiaries) and any of their respective directors.

2. The Directors of the Company have not fixed a record date for the determination of shareholders who are entitled to receive notice of the Annual Meeting. In accordance with Section 111(a) (i) of the Companies Act, Chapter. 81:01, the statutory record date applies. Only shareholders on record at the close of business on **26 March, 2013**, the date immediately preceding the day on which the Notice is given, are therefore entitled to receive Notice of the Annual Meeting. A list of such shareholders will be available for examination by shareholders at the Company's Registered Office at Nos. 47-49 Sackville Street, Port of Spain during usual business hours and at the Annual Meeting.

3. A shareholder entitled to attend and vote at the Annual Meeting is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder. A Proxy Form is attached. Please complete and sign same in accordance with the Notes on the Proxy Form and then deposit same at the Registered Office of the Company, at least 48 hours before the time appointed for the holding of the Annual Meeting.

4. A shareholder that is a body corporate may, in lieu of appointing a proxy, authorise an individual by resolution of its directors or of its governing body to represent it at the Annual Meeting.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Christian E. Mouttet	Chairman
Charles Pashley	Chief Executive Officer
Glenn I. Maharaj	Senior Vice President, YUM! Brands
Angela Lee Loy	Director
Ria S. Morgan	Director
Joseph P. Esau	Director
Kurt A.A. Miller	Director

COMPANY SECRETARY & REGISTERED OFFICE

Marlon Danglade
47-49 Sackville Street
Port of Spain

BANKERS

Scotiabank Trinidad and Tobago Limited
Scotia Centre
56-58 Richmond Street
Port of Spain

RBC Merchant Bank (Caribbean) Limited
4th Floor East
St. Clair Place
7-9 St. Clair Avenue
Port of Spain

RBC Royal Bank (Trinidad and Tobago) Limited
19-21 Park Street
Port of Spain

First Citizens Bank Limited
Corporate Banking Unit
9 Queen's Park East
Port of Spain

Republic Bank Limited
Corporate Business Centre North
1st Floor, Republic Promenade Centre
72 Independence Square
Port of Spain

ATTORNEYS AT LAW

Fitzwilliam Stone, Furness-Smith and Morgan
48-50 Sackville Street
Port of Spain

AUDITORS

PricewaterhouseCoopers
Chartered Accountants
11-13 Victoria Avenue
Port of Spain

REGISTRAR & TRANSFER AGENT

Trinidad and Tobago Central Depository Limited
10th Floor, Nicholas Towers
63 Independence Square
Port of Spain

BOARD COMMITTEES

CORPORATE GOVERNANCE AND NOMINATION

Joseph P. Esau	Chairman
Christian E. Mouttet	
Kurt A.A. Miller	

AUDIT

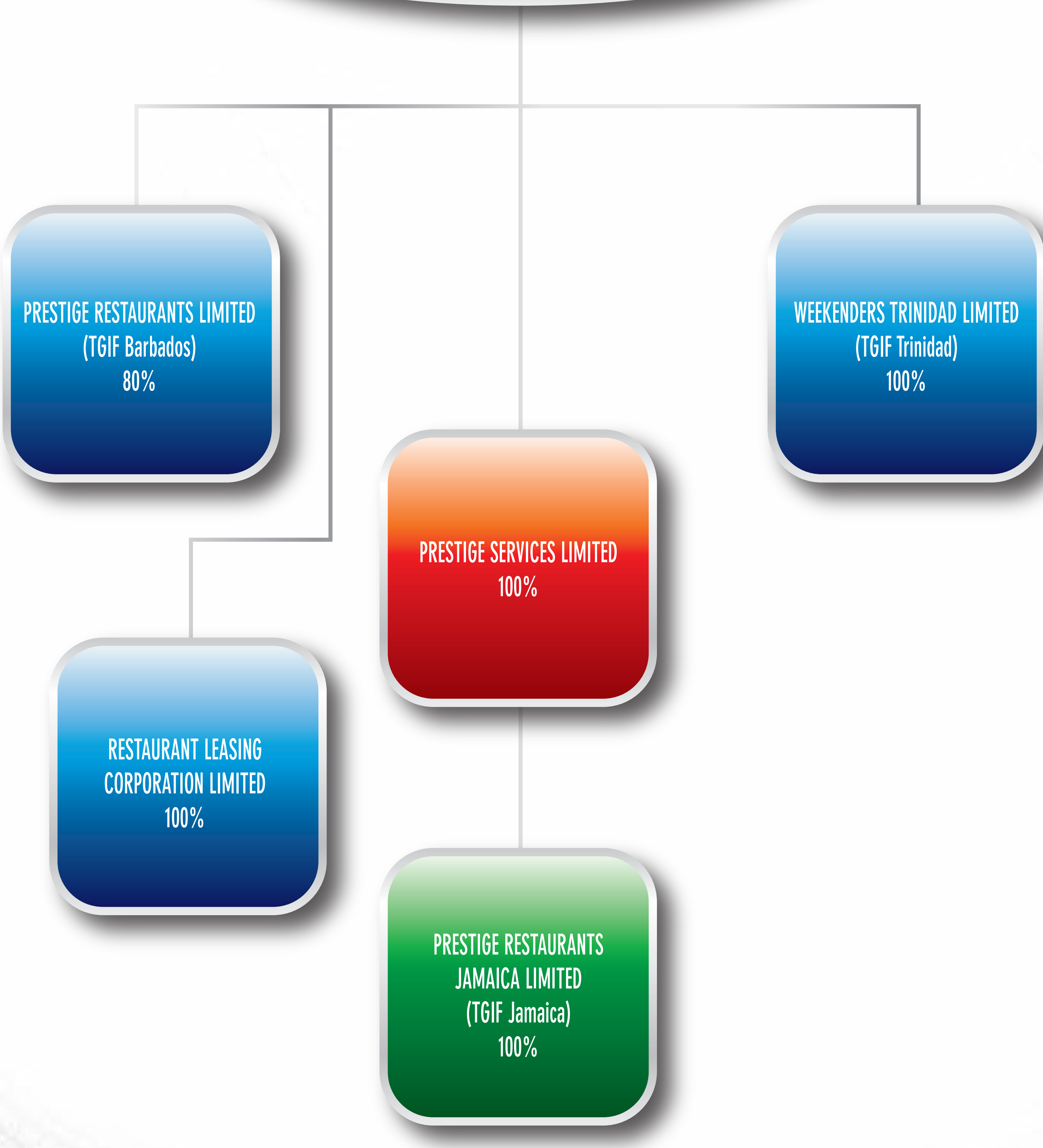
Angela Lee Loy	Chairman
Ria S. Morgan	
Kurt A.A. Miller	

HUMAN RESOURCE AND COMPENSATION

Joseph P. Esau	Chairman
Christian E. Mouttet	
Ria S. Morgan	

PRESTIGE HOLDINGS LTD.
A Restaurant Management Company

GROUP STRUCTURE



CHAIRMAN'S REPORT 2012

Christian E. Mouttet
Chairman

To Our Shareholders, Employees, Customers and Partners

By most measures, Prestige had a good year in 2012. Sales, profit attributable to shareholders and earnings per share all improved. With shareholders' approval, total dividends for the year will also increase and we have again reduced our total borrowings. Having said that, the Board and management recognizes that there are areas for improvement in financial performance, operational efficiencies and customer service which are all key to delivering long term shareholder value.

After 8 years we have decided to close our TCBY business. That business, while relatively small, has been making continuous losses and given the economics of that sector, we do not believe it will be able to make a meaningful contribution to shareholder value. The loss on the closure of that business is disclosed in the income statement as "Loss from Discontinued Operation".

Consolidated Performance and Financial Condition

Group sales from continuing operations increased by 28% to $857 million compared with $670 million for 2011 and profit after tax from continuing operations increased by 16% to $43 million, compared with $37 million in 2011. Profit attributable to shareholders, after writing off our TCBY business and losses from that discontinued operation, was $41 million compared with $7 million in the preceding year. Diluted earnings per share from continued operations in 2012 were 70 cents compared with 60 cents in 2011, and 67 cents and 11 cents respectively, after the charges for discontinued operations.

At the close of 2012 we operated 108 restaurants (excluding TCBY).

Operations

Our businesses continue to be challenged in 2012 by weak economic conditions, high food costs and an extremely difficult labour environment. Notwithstanding these difficulties, our KFC, Pizza Hut and T.G.I. FRiDAY'S brands in Trinidad and Tobago all delivered improved results over 2011.

This was Subway's first year as part of the Prestige family and 2 new restaurants were built since our acquisition on 1 December, 2011, bringing the total number restaurants to 42. New management is now fully in place and we expect that this brand will continue to grow in sales and profitability and be a significant contributor to the Group.

Our T.G.I. FRiDAY'S restaurant in Jamaica experienced improved sales and profitability although still below our expectations. Opportunities for improvement exist in achieving better food costs and improved operating efficiencies.

The Barbados T.G.I. FRiDAY'S restaurant incurred another loss on lower sales in a very difficult economy. This restaurant has been a considerable disappointment to date and significant effort and resources are being deployed in 2013 to turn this operation around.

Chairman's Report 2012 *- continued*

Dividends

The Board recommends a final dividend of 12 cents per common share, which, with shareholder approval, would bring the total dividends payable for the financial year 2012 to 24 cents (2011 – 20 cents). The proposed final dividend would be paid on 27 May, 2013 to shareholders whose names appear on the Register on Members on 6 May, 2013.

Outlook

Notwithstanding the continued dedication of our core employees, the difficult labour market as well as food cost inflation remain major challenges to our business and industry. The management is employing a number of initiatives to combat these significant challenges and barring any unforeseen negative developments, we expect improved results in 2013.

Acknowledgement

We would like to take this opportunity to thank our many loyal employees for their hard work, dedication and commitment in building our brands in a very difficult labour environment. Your contribution is recognised and valued.

We would also like to thank our customers, business partners and shareholders for their continued support over the years.

Christian E. Mouttet
Chairman
26 February, 2013

Board of Directors' Profiles

1. Christian E. Mouttet, B.A., Director

Mr. Mouttet is the CEO of Victor E. Mouttet Limited, Director, Agostini's Limited and a Director of Republic Bank Limited. Mr. Mouttet holds a Bachelor of Arts Degree with a double Major in Business Administration and Political Science from Wagner College, New York.

2. Angela Lee Loy, F.C.C.A., C.A., Director

Ms. Lee Loy is the Chairman of Aegis Business Solutions Limited and Chairman of Eve Anderson Associates Limited. She has over 35 years experience in auditing and business advisory services with Aegis, PricewaterhouseCoopers and its precursor PriceWaterhouse. Ms. Lee Loy was the Chairman of the National AIDS Coordinating Committee (NACC), Past President of the Institute of Chartered Accountants of the Caribbean and the Institute of Chartered Accountants of Trinidad and Tobago. Ms. Lee Loy is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA), and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

3. Joseph P. Esau, F.C.C.A., C.A. Chairman

Mr. Esau is a Financial Consultant specialising in new projects, corporate capital restructuring and acquisitions. He is also Chairman of Agostini's Limited and Caribbean Communications Network Limited, and a director of Grace Kennedy Limited—Jamaica, and The Arthur Lok Jack Graduate School of Business (UWI, St. Augustine). He is a former partner of Deloite & Touche, Trinidad.

Mr. Esau is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

4. Kurt A.A. Miller, LL.B. (Hons) Director

(Appointment effective 1 March 2012)
Mr. Kurt Miller is a Senior Partner and Head of the Commercial Department of Fitzwilliam, Stone, Furness-Smith & Morgan. He joined the Firm in 1986 and has been a Partner since1992. His areas of specialty are finance, banking, and corporate/commercial transactions. He has acted and continues to act for a broad range of local and international clients in the areas of commercial transactions, structured credit transactions, leverage lending transactions, sovereign and commercial bond issues, mergers and acquisitions, securitisation transactions and aviation transactions.

Mr. Miller is a graduate of the University of the West Indies (LL.B. Hons,1984) and the Norman Manley Law School, Jamaica (Legal Education Certificate,1986). He was admitted to practice in 1986 in Trinidad and Tobago and in 1991 in Jamaica. He is recognised in the Corporate/Commercial Trinidad and Tobago section of Chambers Global: The World's Leading Lawyers.

5. Ria S. Morgan, BSc. (Hons), Director

Mrs. Morgan has worked in the Marketing and Advertising industry for almost 20 years, first as a Senior Account Executive serving many of Trinidad's large corporate accounts and later as a Marketing Consultant for smaller professional firms. Prior to that, she worked for two major banks as a Management Trainee and Credit Analyst. She has served on several charitable committees and is currently working toward a Residential Valuation designation with The Appraisal Institute (USA), and as a Realtor with a local agency. Mrs. Morgan holds a Bachelor of Science (Hons) degree in Geography and Psychology from the University of Toronto, Canada.

6. Charles R. Pashley, MBA, F.C.C.A., C.A., Chief Executive Officer

Mr. Pashley has over 20 years management experience. He has worked with a major international accounting and auditing firm and has held various senior positions in manufacturing and distribution.

Mr. Pashley holds an MBA in Business Administration and is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

7. Glenn I. Maharaj, F.C.C.A., C.A., C.I.S.A. Senior Vice President /Business Leader – YUM! Brands

Mr. Maharaj is responsible for the running of the YUM! Brands (KFC and Pizza Hut) in Trinidad and Tobago. Mr. Maharaj is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA), a member of the Institute of Chartered Accountants of Trinidad and Tobago(CA), and a certified member of the Information Systems Audit and Control Association of the United States (CISA).

Mr. Maharaj is Chairman of the Employers' Solution Centre Limited a wholly owned subsidiary of the Employers' Consultative Association of Trinidad and Tobago and a Director of Sports for Life – Trinidad and Tobago. He is also a Director of the Caribbean and Latin American (CARIBLA) Franchise Association for YUM! Brands.

Executive Team's Profiles

1. Charles R. Pashley, MBA, F.C.C.A.,

C.A., Chief Executive Officer

Mr. Pashley has over 20 years management experience. He has worked with a major international accounting and auditing firm and has held various senior positions in manufacturing and distribution. Mr. Pashley holds an MBA in Business Administration and is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA) and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

2. Angela Laquis-Sobrian, M.Sc. Human Resources (Distinction); Post Graduate Diploma, Education (Distinction); B.A. (Hons) Vice President Human Resources

Angela Laquis-Sobrian, M.Sc. Human Resources (Distinction); Post Graduate Diploma, Education (Distinction); B.A. (Hons) Vice President Human Resources. Ms. Sobrian has over 15 years experience in Human Resources Management, specialising in the areas of Strategic Planning, Performance Management Systems, Training and Organisational Development, Compensation and Benefits. Prior to joining Prestige Holdings Ltd., she served as the Human Resources Manager of a major organisation where she played an integral role in the strategic planning process and the alignment of the performance management system with Company goals and targets.

Ms. Sobrian holds a Masters Degree in Human Resources, with Distinction, from the Arthur Lok Jack Graduate School of Business; a Bachelor of Arts Degree with Honours and a Post Graduate Diploma in Education, with Distinction, from the University of the West Indies. She has also been certified as a Compensation and Global Remuneration Professional from the World @ Work organisation, based in the U.S. Ms. Sobrian has successfully completed several training programmes, locally and abroad, in areas such as, management and leadership development, organisational change and strategic management.

3. Marlon Danglade, F.C.C.A., C.A.

Mr. Danglade joined Prestige Holdings Ltd. as Chief Financial Officer in 2007 from PricewaterhouseCoopers where he held the position of Audit and Business Advisory Services Manager. He has over 10 years auditing and business advisory experience and has led a variety of external audit engagements within the financial, manufacturing, retailing and transportation industries.

Mr. Danglade is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA), and a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA).

4. Ian Currie, B. Technology (Hons), MBA (Distinction) Vice President - Subway

Mr Currie has worked in leadership positions for various multinationals in the food industry across the Caribbean and internationally for the past 20 years. His experience includes corporate strategy development, marketing communication, consumer research, product development, market analysis and corporate competency development. He also brings strong analytical and creative skills to the team that can be applied to the organisation as a whole.

He holds a Bachelor's Degree (First Class Hons.) in Food Technology from Massey University in New Zealand and an MBA (with Distinction) in International Business from City University London, UK. He obtained a scholarship from City University London to complete his post graduate education.

5. Lisa Fernandez, Vice President - T.G.I. FRiDAY'S

Ms. Lisa Fernandez joined Prestige Holdings Ltd. in December 2010 in the position of Vice President, T.G.I. FRiDAY'S. Prior to her appointment, she worked at a general management level with various US-based companies in the retail sector.

Ms. Fernandez gained her academic foundation from George Brown College and Ryerson University in Canada, specialising in both Business Administration and Training and Development. She has extensive experience in the areas of new store openings, building transactions through a combination of multiple initiatives and ensuring an efficient operational platform from which to drive sales. Integral to her work with international chains, Ms. Fernandez was also exposed to a number of training and development programmes in the areas of inventory and cost management, staff development and sales programmes. Ms. Fernandez brings over 25 years of international experience in the retail industry to Prestige Holdings Ltd.

6. Glenn I. Maharaj, F.C.C.A., C.A., C.I.S.A. Senior Vice President/Business Leader – YUM! Brands

Mr. Maharaj is responsible for the running of the YUM! Brands (KFC and Pizza Hut) in Trinidad and Tobago. Mr. Maharaj is a Fellow of the Association of Chartered Certified Accountants of the United Kingdom (FCCA), a member of the Institute of Chartered Accountants of Trinidad and Tobago (CA), and a certified member of the Information Systems Audit and Control Association of the United States (CISA).

Mr. Maharaj is the Chairman of the Employers' Solution Centre Limited, a wholly owned subsidiary of the Employers' Consultative Association of Trinidad and Tobago and a Director of Sports for Life – Trinidad and Tobago. He is also a Director of the Caribbean and Latin American (CARIBLA) Franchise Association for YUM! Brands.

7. Anthony Martins, Vice President – Market Development

Mr. Martins joined Prestige Holdings Ltd. in 1978 as a Shift Supervisor at St. James, our first KFC Restaurant in Trinidad. Since then, he has held several positions including Area Manager, Research and Development Manager and Quality Assurance Manager. In 1991, he was promoted to Business Development Manager. This significant portfolio provided him with in-depth knowledge and experience in market mapping, market segmentation and site selection using world class methodologies.

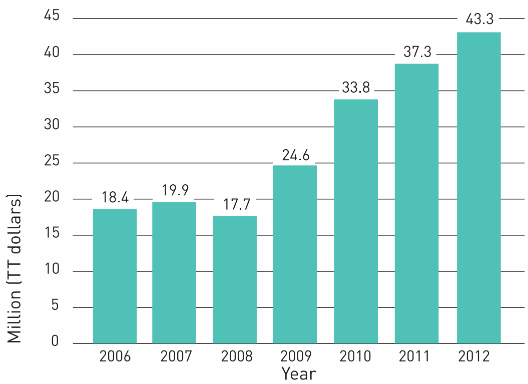
Mr. Martins has attended extensive overseas training programmes covering operations, business development, quality assurance and research.

MANAGEMENT DISCUSSION AND ANALYSIS

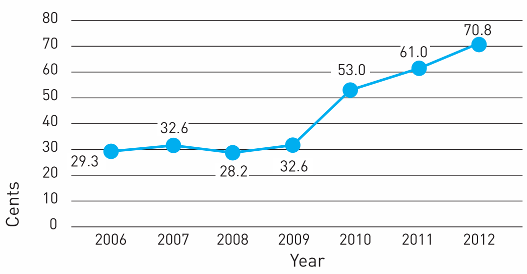
As Prestige Holdings Ltd. enters its 40th year in the business landscape of Trinidad and Tobago, we will continue to make the customer the centre of our universe. We believe this is the cornerstone of a strong business and the means to delivering improved Shareholder returns over the long term. For this objective to be achieved the Management and the Board need to ensure that we maintain our leadership position in each of the Market Segments in which we operate and are continually reviewing new opportunities which will add to the successes we have built over the last 39 years.

Our strategy of continuing to invest in strong brands and assets, and to exit business units and markets which are unprofitable, continues to yield positive returns on our continuing operations.

GROUP PROFITS ATTRIBUTABLE TO SHAREHOLDERS
- Continuing Operations



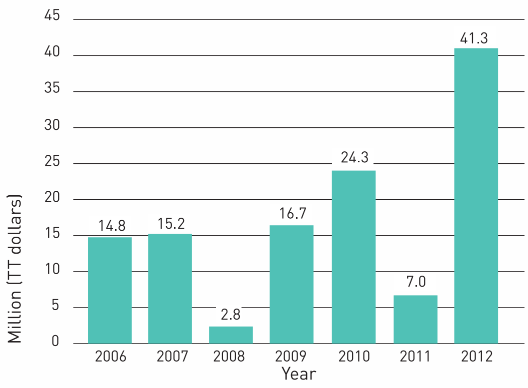
GROUP EARNINGS PER SHARE
- Continuing Operations



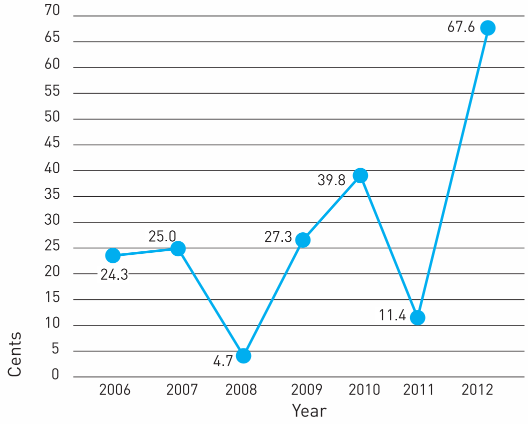
Management Discussion and Analysis - *continued*

In 2012, our decision to exit unprofitable businesses, while not impacting our cash flow, has had a short-term negative impact on Total Profits available to shareholders and earnings per share. In keeping with our strategic objective during the year we made the decision to close the TCBY business.

GROUP PROFITS ATTRIBUTABLE TO SHAREHOLDERS



GROUP EARNINGS PER SHARE

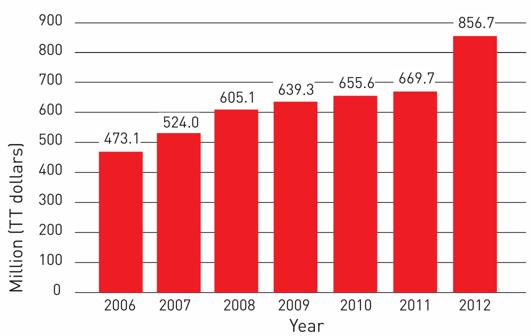


Management Discussion and Analysis *- continued*

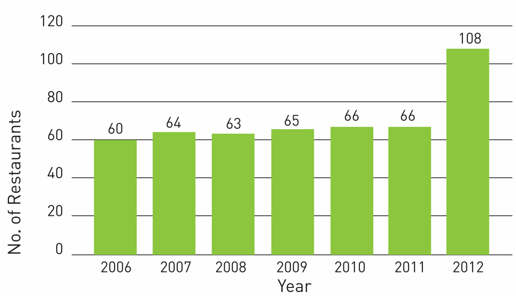
This short-term impact was necessary to ensure we focused on profitable opportunities to enhance the long-term returns to shareholders.

At the commencement of our financial year in December 2011 the country was slowly returning to "normalcy" after the State of Emergency and the accompanying curfew which resulted in the shorter selling days. We are happy to report positive sales performance, improved profits on continuing operations and unit expansion even in a competitive environment with weak consumer confidence.

GROUP SALES
- Continuing Operations



No. OF RESTAURANTS
- Continuing Operations



Management Discussion and Analysis *- continued*

FINANCIAL PERFORMANCE

Our restaurants, like most in the Quick Service Restaurant (QSR) and casual dining sectors, were impacted by increasing commodity prices and other operating expenses, as well as an expanded competitor landscape.

In 2012, revenue from continuing operations increased from $670 million to $857 million representing a 28% growth over prior year, driven largely by the acquisition of Subway. Comparable same store revenue growth (excluding Subway restaurants) increased by 4% over prior year. Profit after tax from continuing operations increased by 16% from $37.1 million to $42.9 million, while profit attributable to shareholders, including the loss from discontinued operations, increased from $7 million to $41 million. Included in the prior year results was the write off of our Dominican Republic joint venture totalling $29.5 million, compared with $1.9 million which related to the write off of our TCBY brand in 2012.

Trinidad and Tobago operations
Revenue from our Trinidad and Tobago businesses increased by 29%; from $641 million to $829 million. Same store revenue growth was 4% better than prior year and the same store contribution achieved from the KFC, Pizza Hut and T.G.I. FRiDAY'S operations increased by 11% over prior year.

Profit after tax, including the write off of TCBY business, decreased from $37.5 million to $36.1 million. Our Subway restaurants achieved a moderate contribution in the first year of operation as part of the Prestige Holdings Group.

Overseas operations – T.G.I. FRiDAY'S
Revenue for our Jamaica restaurant decreased by 1% over prior year and generated an improved profit over prior year.

During the financial year our T.G.I. FRiDAY'S Barbados sustained a decrease in revenue by 6% over prior year and an operating loss.

Group investments
Capital expenditure for the year totalled $144.5 million (2011: $22.6 million). We invested primarily in our Trinidad and Tobago operations where we acquired the Subway business and related assets for $111 million; renovated 8 restaurants in total; 7 KFC's and 1 Pizza Hut and opened two new Subway restaurants.

Borrowings
At the end of the financial year, our debt/equity improved from 44:56 to 27:73 with total borrowings for the Group, net of cash and cash equivalents and including parent company borrowing closing at $72.3 million (2011: $97 million).

Finance cost increased by 36% compared with prior year, primarily driven by an increase in interest cost on the parent company loan by $4.8 million, which was not applicable in prior year.

Share Price
The Company's stock price closed at $9.27 as at 30 November, 2012 (2011: $6.80). The share price declined subsequent to the financial year-end and as at 14 March, 2013 was $9.23.

Management Discussion and Analysis *- continued*

Building People Capability

To support the company's annual business objectives and its 2012 theme of "Team Driven, Customer Focused," attention was placed on enhancing the performance management system (PMS), Team Member and management development and implementing revised recruitment and retention practices within an increasingly competitive labour environment.

The performance management system, which revolves around the four key performance indicators (KPIs) of Customers, People, Sales and Profits of the Balanced Scorecard (BSC), was enhanced by the redesign of the individual performance assessments. The assessments enabled greater accountability while, at the same time, improved the basis for rewards. The PMS also served to increase management motivation to drive BSC targets. The company's Pay for Performance system was also reviewed and monthly rewards were increased in line with the achievement of performance targets, with the heaviest weightings being allocated to the achievement of the Customers and People KPIs.

Training and development of Managers and Team Members (TM) were key priorities in 2012. In spite of the loss of some management employees to competitors, management retention remained strong. The Bench Development and Training Plan also served to fill the vacancies created. The training infrastructure was also enhanced by the increase in the numbers of training stores which served to reinforce the development of a peer support system to trainees and improved the monitoring of the induction process. Career development was, therefore, used as an important recruitment and retention strategy. TM retention over six months and over one year increased from 67% and 48.8% in 2011 to 72.5% and 60.8% in 2012 respectively. This level of retention brought a level of stability to the management of the restaurants.

Management, however, continued to be challenged by labour shortages which impacted our service delivery to customers. To address this challenge, the company implemented a pilot project in four stores which involved the implementation of internal recruiters, whose role was to focus on the screening of candidates and aggressively tap into other sources of labour in the trade area, in which they were located. Given the initial success of the pilot, the number of recruiters and recruitment stores was extended to eight. The initiative encouraged prospective candidates to apply and allowed for greater expediting of the recruitment and selection process. This recruitment initiative is expected to continue in 2013.

In spite of the peaks and troughs, the company remains grounded in its "How We Win Together" principles. These principles are built around the core values of integrity, building know-how, teamwork, belief in people and recognition. All our employees are expected to act in accordance with these principles to ensure operational excellence and continued future success.

PRESTIGE HOLDINGS LTD.

A Restaurant Management Company

40

Years of Satisfaction

KFC

Pizza Hut

T.G.I. FRiDAY'S

SUBWAY


KFC

KFC
so good


Sharing that
sogood™
feeling for
40 years.
KFC®
sogood™

Management Discussion and Analysis *- continued*

KFC

KFC ventured into its 39th year of operations in Trinidad and Tobago intent on epitomising the adage "getting better with age" by leveraging all brand touch points. Major image enhancements to our restaurant assets, menu innovation, consumer promotions and interactive marketing campaigns propelled KFC from mature brand status to timeless. 2012 Marketing initiatives combined a robust mix of product innovation, events, 360 degree campaigns, consumer premiums, community and digital engagement to drive brand equity, sales and transactions; achieving significant returns from products such as Popcorn Chicken, Spicy Crunch, the iTwist and the Spicy Bean veggie burger.

Building on the commercial success of key campaigns, KFC stepped up our community initiatives in Children's Literacy, Sport and Culture. For a second successful year, we continued to promote local talent, artistry and youth creativity through the KFC Primary School Carnival Tour and Children's Storytelling workshops throughout Trinidad and Tobago. The KFC Comets Youth Development Cricket programme continued to grow and improve through increased membership, doubling the number of girls within the club; thus creating a solid platform to replicate in more communities. In October 2012, a landmark achievement for KFC was our inaugural involvement in Ramleela celebrations in Debe. More than 2,000 Spicy Bean veggie burgers were prepared on site and sampled to primary school students from across the country; truly reaffirming our position as a brand for all seasons and segments.

The accomplishments of 2012 provide a sound foundation upon which KFC will continue to build in 2013 and beyond, poised to serve our world famous chicken products into the hearts of generations of new consumers for another 40 years.


Pizza Hut

Pizza Hut


Pizza Hut

Management Discussion and Analysis *- continued*

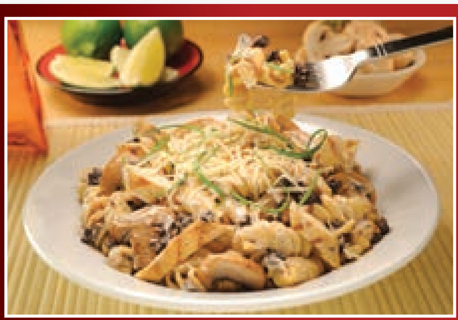
Pizza Hut

The Pizza Hut Brand performed strongly in 2012. Our restaurants continued to deliver consistent growth especially in our re-imaged flagship locations of Roxy and Gulf View and our newly renovated Valsayn location. These restaurants show the future of the Pizza Hut business as customers continue to patronise our restaurants to experience great affordable meals, modern ambience and the all-round personable customer experience.

Pizza Hut continued to create excitement in the arena of product innovation with several new products successfully launched in the market. Products such as "Cheesy Bites Triple Dip", "Lasagne Bites" and "Tuscani Pasta Pairs" brought solid transactions across all business channels.

Value was also the focus of the Brand with the "Grab n Go" lunch combos and other value combos were added to the menu to appeal to carryout and delivery customers to great success, not only inspiring transactions but increasing the ticket average as well.

Given the strong position attained in 2012, Pizza Hut is poised for a great 2013. With so many possibilities and products in its arsenal, we expect great things from Pizza Hut.




T.G.I.
FRiDAY'S


OPEN
FRIDAYS

Management Discussion and Analysis - *continued*

T.G.I. FRiDAY'S

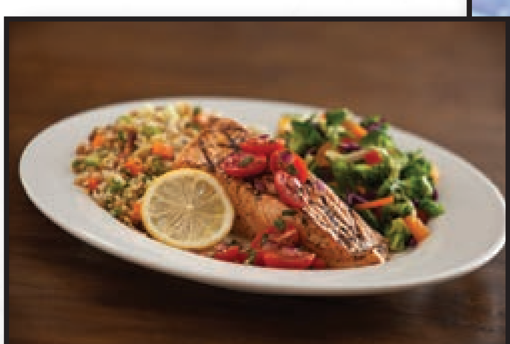
2012 was a vibrant one for T.G.I. FRiDAY'S with the brand building on the success of our initiatives begun in the prior two years. Trinidad hosted both the Regional Business Conference and the Regional Bartender's Championship for Latin America. This was the first time an event of this nature was held here and it allowed us to showcase the growth and development that the market has experienced by focusing on the basics.

We continued to concentrate on great food, exceptional service, and delivering a true FRiDAY'S experience to every guest. Menu innovation was a key driver; promotions were delivered bi-monthly and we continued to entice the guest with our wide selection. The year commenced with a focus on healthy eating and our diverse range of salads. Following this we moved into the Lenten Season by offering our guests fresh and delicious seafood entrees with our "Seafood Selects" promotion. We celebrated Easter and Mother's Day by introducing five new pastas on our "Festival of Pasta" promotion. In July and August we took guests on a tour of Mexico with "Fresh Flavours of Mexico," and in August we also launched our new main menu. In September and October we concentrated on a true FRiDAY'S specialty "Jack Daniel's" and we wrapped up the year with a regional tour of the US with the "Tastes of America" promotion.

T.G.I. FRiDAY'S continued to offer our guests a place to celebrate all memorable occasions including Valentine's Day, SEA exams and results, Mother's Day, Father's Day and Birthdays.

Lastly, we extended our FRiDAY'S feeling outside the doors of our restaurant through participation in a number of social and charitable projects. Our signature Christmas Card project in collaboration with "It's For Kids Foundation" proved to be a great success as it allowed us to contribute to the welfare of children at the St. Dominic's home.

As we journey into 2013 we will continue to focus on launching remarkable food, delivering exceptional service and sharing our infectious "IN HERE IT'S ALWAYS FRIDAY" energy with every guest.




SUBWAY


SUBWAY


SUBWAY
SUBWAY SUBWAY SUBWAY SUBWAY SUBWAY SUBWAY


SUBWAY
BOOM DE YA DA

Management Discussion and Analysis *- continued*

SUBWAY

On December 1, 2011, Prestige Holdings Ltd. welcomed Subway, the largest restaurant chain in the world, to their family of world class brands. The first year of our stewardship saw a heavy emphasis on understanding the business and integrating it into our overall operations. We also kept our customers and employees engaged with a range of campaigns and activities.

"Boom de yada, boom de yada." This slogan permeated everywhere during the months of July and August as we launched a major campaign to build an emotional element to our consumers' connection to the brand.

'Fresh start, bright future' was the theme of our team building event held in August 2012. This occasion welcomed our staff to the Prestige Holdings Ltd. family. The event was the first of its kind for the Subway team and sent a strong signal that our people are central to all that we do.

One of the strengths of Subway is its versatile product offerings. The "Free Dessert with any Footlong" campaign highlighted our delicious dessert range through a very attractive offer in September.

Our next major campaign was the "Buy One Get One 50% Off" (BOGO) offer in October and November. This offer gave our customers the opportunity to get more value from their visit to Subway while increasing our sales volumes.

This year also saw the launch a new product offering - the Spicy Buffalo Chicken sub. It was introduced in December as a limited time offer. However, our consumers showed such a strong attraction to its zesty flavour it is now a permanent fixture on our menu.

In summary 2012 was a year that saw us make a "fresh start" and begin the journey towards our "bright future" as part of the Prestige Holdings Ltd. family.

Photo Album

PRESTIGE HOLDINGS LTD.
A Restaurant Management Company
40
Years of Satisfaction

Photo Album

PRESTIGE HOLDINGS LTD.
A Restaurant Management Company
40
Years of Satisfaction


Bean
Burger


KFC


T.G.I. FRIDAYS
FRIDAYS

REPORT OF DIRECTORS

The Directors are pleased to present their report for the year ended 30 November, 2012.

1. CONSOLIDATED FINANCIAL RESULTS AND DIVIDENDS

	$
Profits attributable to shareholders	41,322,135
Final dividends for 2011 (Paid 10 cents per common share)	(6,118,101)
Interim dividends paid for 2012 (Paid 12 cents per common share)	(7,341,721)
Retained profits for the year	27,862,313
Retained profits brought forward from prior year	82,466,625
Retained profits at end of year	110,328,938

2. DIVIDENDS

The Directors recommended that the interim dividend paid on 25 September, 2012 be twelve cents and on 25 February, 2013 the final dividend of twelve cents for the year under review.

3. DIRECTORS

The Directors as of 30 November, 2012, were as follows:-

Christian Mouttet, Joseph Esau, Angela Lee Loy, Glenn Maharaj, Ria Morgan, Kurt Miller and Charles Pashley

In accordance with paragraph 4.5 of the Company's By-Law No. 1, the terms of office of Mrs. Angela Lee Loy, Mr. Christian Mouttet and Mr. Charles Pashley expire at the close of the Annual Meeting to be held on 24 April, 2013. Mrs. Lee Loy, Mr. Mouttet and Mr. Pashley being eligible, offer themselves for re-election as Directors for the term from the date of their election until the close of the third Annual Meeting following their election, subject always to earlier termination under paragraph 4.8.1 of the Company's By-Law No. 1.

4. AUDITORS

The retiring auditors, Messrs. PricewaterhouseCoopers have expressed their willingness to be re-appointed and are eligible for appointment as auditors of the Company.

Report of Directors *- continued*

5. BENEFICIAL INTERESTS OF DIRECTORS, SENIOR OFFICERS & THEIR CONNECTED PERSONS AND A LIST OF SUBSTANTIAL OR LARGEST INTERESTS.

In accordance with the requirements of our listing agreement with The Trinidad and Tobago Stock Exchange Limited ("the TTSE") and the disclosure Rules of the TTSE, we record hereunder details of the beneficial interest of each Director and Senior Officer together with their connected persons in the share capital of the Company as at the end of the Company's financial year 30 November, 2012

DIRECTORS

Director	Beneficial Interest	Options granted under Share Option Plan	No. of Shares held by Connected Persons
Joseph P. Esau	1,200,000	Nil	Nil
Angela Lee Loy	Nil	Nil	Nil
Glenn I. Maharaj	97,407	218,489	Nil
Ria S. Morgan	55,000	23,500	Nil
Christian E. Mouttet	Nil	Nil	Nil
Charles Pashley	110,000	Nil	Nil
Kurt Miller	40,000	Nil	Nil

There are no other interests held by the Directors. There has been no change in the interests of Directors or connected persons of Directors between the end of the Company's financial year and 27 February, 2013 being a date not more than one (1) month prior to the date of the notice convening the Company's Annual Meeting.

SENIOR OFFICERS

Senior Officer	Beneficial Interest	Options granted under Share Option Plan	No. of Shares held by Connected Persons
Marlon Danglade	Nil	19,378	Nil
Anthony Martins	36,402	104,516	Nil
Angela Sobrian	11,834	144,797	Nil
Ian Currie	Nil	Nil	Nil
Lisa Fernandez	Nil	Nil	Nil

Report of Directors - *continued*

SUBSTANTIAL INTEREST/LARGEST HOLDERS

In accordance with the requirements of our listing agreement with the TTSE and Rule 601 of the Rules of the TTSE, we list below those persons holding the ten largest block of shares legally and beneficially in the Company as at 30 November, 2012 and as at 27 February, 2013 being a date not more than one month prior to the date of the notice convening the Company's Annual Meeting.

Shareholder	Legal Interest	Beneficial Interest
Victor E. Mouttet Limited	Nil	42,665,500
RBTT Trust Limited	Nil	4,382,781
Republic Bank Limited	Nil	1,664,000
Pelican Investments Limited	Nil	1,464,179
Joseph P Esau	Nil	1,200,000
Employees Profit Sharing & Share Ownership Plan	Nil	1,101,564
Guardian Life Of The Caribbean Ltd	Nil	1,052,539
First Citizens Trust and Asset Management	Nil	577,952
T Geddes Grant Ltd Pension Fund Plan	Nil	320,000
Bancassurance Caribbean Limited	Nil	255,853

6. DISCLOSURE OF INTEREST OF DIRECTORS AND OFFICERS IN ANY MATERIAL CONTRACT

The Directors' report to the Shareholders in compliance with the Companies Act, Chapter 81:01 that the following transaction between the Company and Victor E. Mouttet Limited, its Parent Company in which Mr. Christian Mouttet, a Director has disclosed an interest:-

The purchase consideration for 100% of the Subway Restaurant Business in Trinidad and Tobago and related assets from Mainstream Foods Limited as acquired by the Company on 1 December, 2011 was financed in part by an unsecured loan from Victor E. Mouttet Limited, the Parent Company in the sum of $65 million bearing a fixed interest rate of 7.5% on the principal balance of which $5 million is repayable at the end of each succeeding 3 years. This loan is convertible to Common Shares at the Company's option, through a rights issue of up to $50 million, and as soon as it is practicable, the Company will review the Group's combined capital structure to determine the optimal debt to equity ratio, and to take appropriate action on its capitalisation.

In accordance with the provisions of the Companies Act, on 29 November, 2011, Mr. Christian Mouttet, a Non-Executive Director of the Company who is also a Director and an officer of Victor E. Mouttet Limited, the Parent Company, declared his interest in these transactions before the Board of Directors of the Company and was not present at, nor formed part of the quorum, nor voted on the Board's Resolutions to approve these transactions. The transaction was approved by the remaining Directors as reasonable and fair to and in the best interests of the Company at the time.

The Directors wish to express their appreciation to the management and staff for the work done during the year and look forward to another exciting year.

By Order of the Board
Dated this 27th day of March, 2013

CHRISTIAN E. MOUTTET

MARLON DANGLADE

AUDIT COMMITTEE REPORT

The Group Audit Committee assists the Board in fulfilling its responsibility to oversee Management's implementation of financial reporting and risk management processes as set out in the Audit Committee Terms of Reference. In performing its work, the Committee considers the following: -

i. Reliability and integrity of the accounting principles and practices.

ii. Internal audit functions.

iii. Risk management functions.

iv. Qualifications, independence and performance of the external auditors.

v. The effectiveness of the system of controls and procedures.

vi. Compliance with legal and regulatory requirements.

The Committee has reviewed and discussed the quarterly unaudited results, the annual audited financial statements and the audit plan with the Company's management and the external auditors.

The Committee has discussed the audit plan covering the adequacy of internal controls and work schedule with the internal auditor.

The Committee met five times for the year 2012.

The Audit Committee

Angela Lee Loy (Chairman)
Ria Morgan
Kurt A.A. Miller

REPORT OF THE CORPORATE GOVERNANCE & NOMINATION COMMITTEE

The Corporate Governance & Nomination Committee comprises three of the five non-executive directors of the Company.

This Committee supports the Board of Directors in matters of Corporate Governance, including Board and Directors' evaluation and nominations, Board Committee mandates, structure and membership, Code of Ethics, and CEO performance evaluation.

During the year, Mr. Daniel Fitzwilliam resigned from the Board after serving for twenty years, including five years under the PepsiCo ownership. The Board appointed Mr. Kurt A. Miller a Director to fill the casual vacancy created by Mr. Fitzwilliam's resignation.

Mr. Joseph Esau stepped down as Chairman of the Company following the close of the last Annual Meeting of Shareholders on 25 April, 2012, after serving in that position for almost 15 years, and was replaced by Mr. Christian Mouttet.

Consequent on these changes, Mr. Esau was appointed Chairman of the Corporate Governance & Nomination, and the Human Resources and Compensation Committees of the Board.

During the year the Committee held two meetings and reviewed the Board Committees' Mandates and compositions, and evaluated the overall performance of the Board. Three sub-committee meetings were also held, met individually with Board members, and review their self-evaluations and recommendations for improving the Board's performance.

Corporate Governance & Nomination Committee

Joseph P. Esau (Chairman)
Kurt Miller
Christian E. Mouttet

REPORT OF THE HUMAN RESOURCE AND COMPENSATION COMMITTEE

The Human Resource and Compensation Committee comprises three of the five non-executive directors of the Company.

This Committee supports the Board in matters of human resource policies and practices, including executive compensation structure and incentive programmes, monthly rated employees' general salary increases, management succession planning, senior management appointments, and board compensation.

During the year the Committee held two meetings to consider amendments to the Employee Share Ownership Plan, 2012 management/employee performance bonuses, 2013 salary adjustments, and harmonisation of the long term incentive plan with the ESOP.

Human Resource and Compensation Committee

Joseph P. Esau (Chairman)
Ria S. Morgan
Christian E. Mouttet

PRESTIGE HOLDINGS LTD.

A Restaurant Management Company

40

Years of Satisfaction

KFC

Pizza Hut

T.G.I. FRiDAY'S

SUBWAY

Independent Auditor's Report

To the shareholders of
Prestige Holdings Ltd.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Prestige Holdings Ltd., which comprise the consolidated statement of financial position as at 30 November, 2012, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 30 November, 2012, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers

27 February, 2013
Port of Spain
Trinidad, West Indies

Consolidated Balance Sheet

(Expressed in Trinidad and Tobago Dollars)

	Notes	30 November 2012 $	2011 $
ASSETS			
Non-current assets			
Property, plant and equipment	3	287,156,214	243,335,222
Intangible assets	4	74,403,470	14,958,336
Deferred income tax assets	6	1,095,314	2,069,403
		362,654,998	260,362,961
Current assets			
Inventories	7	42,924,279	26,854,594
Trade and other receivables	8	20,873,828	15,334,337
Current income tax assets		6,417,559	6,255,602
Cash and cash equivalents (excluding bank overdrafts)	9	24,546,443	12,143,271
		94,762,109	60,587,804
Assets of disposal group classified as held for sale	10	—	634,000
		94,762,109	61,221,804
Total assets		457,417,107	321,584,765
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent Company			
Share capital	11	21,156,749	21,156,749
Equity – settled arrangements		5,497,256	5,353,250
Other reserves	12	19,253,806	19,539,921
Other equity instrument	13	50,000,000	—
Retained earnings		110,328,938	82,466,625
		206,236,749	128,516,545
Unallocated shares held by ESOP	14	(4,644,286)	(4,644,286)
Non-controlling interests	15	(1,122,998)	(786,579)
Total equity		200,469,465	123,085,680
LIABILITIES			
Non-current liabilities			
Borrowings	16	44,056,108	60,325,774
Due to related party	17	5,000,000	—
Retirement benefit obligations	18	73,863	—
Deferred income tax liabilities	6	7,864,770	8,690,242
		56,994,741	69,016,016
Current liabilities			
Trade and other payables	19	101,757,077	76,871,162
Borrowings	16	42,771,060	49,293,993
Due to related parties	17	6,578,349	1,043,759
Other payable	20	45,000,000	—
Current income tax liabilities		3,811,665	2,252,192
Bank overdrafts	9	34,750	21,963
		199,952,901	129,483,069
Total liabilities		256,947,642	198,499,085
Total equity and liabilities		457,417,107	321,584,765

The notes on pages 54 to 81 are an integral part of these consolidated financial statements.

On 25 February, 2013, the Board of Directors of Prestige Holdings Ltd. authorised these consolidated financial statements for issue.

Director

Director

Consolidated Income Statement – by function of expense

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year Ended 30 November 2012 $	2011 $ Restated
Continuing operations			
Revenue		856,760,337	669,684,909
Cost of sales	21, 22	(541,945,543)	(433,732,583)
Gross profit		314,814,794	235,952,326
Other operating expenses	22	(181,888,966)	(139,782,973)
Administrative expenses	22	(62,448,326)	(39,562,771)
Other income		2,020,344	2,083,341
Operating profit		72,497,846	58,689,923
Finance costs - net	23	(12,738,966)	(9,386,368)
Profit before income tax		59,758,880	49,303,555
Income tax expense	24	(16,777,982)	(12,226,781)
Profit for the year from continuing operations		42,980,898	37,076,774
Discontinued operations			
Loss from discontinued joint venture operations	10	—	(29,510,953)
Loss for the year from discontinued operations	25	(1,995,182)	(868,921)
Profit for the year		40,985,716	6,696,900
Profit attributable to:			
Owners of the parent company		41,322,135	6,950,296
Non-controlling interests	15	(336,419)	(253,396)
		40,985,716	6,696,900
Earnings per share from continuing and discontinued operations attributable to the equity holders of the company during the year	26		
- **Basic earnings/(loss) per share (exclusive of ESOP shares)**			
From continuing operations		70.8¢	61.0¢
From discontinued operations		(3.2¢)	(49.6¢)
		67.6¢	11.4¢
- **Basic earnings/(loss) per share (inclusive of ESOP shares)**			
From continuing operations		69.9¢	60.2¢
From discontinued operations		(3.2¢)	(49.0¢)
		66.7¢	11.2¢
- **Diluted earnings/(loss) per share (exclusive of ESOP shares)**			
From continuing operations		70.6¢	60.8¢
From discontinued operations		(3.2¢)	(49.5¢)
		67.4¢	11.3¢

The notes on pages 54 to 81 are an integral part of these consolidated financial statements.

Consolidated Statement Of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year Ended 30 November 2012 $	2011 $
Profit For The Year		40,985,716	6,696,900
Other Comprehensive Loss			
Currency translation differences	12	(286,115)	(39,989)
Total Comprehensive Income For The Year		40,699,601	6,656,911
Attributable To:			
- Owners of the parent company		41,036,020	6,910,307
- Non-controlling interests	15	(336,419)	(253,396)
Total Comprehensive Income For The Year		40,699,601	6,656,911

The notes on pages 54 to 81 are an integral part of these consolidated financial statements.

Consolidated Statement Of Changes In Equity

(Expressed in Trinidad and Tobago Dollars)

	Notes	Share Capital $	Equity Settled Arrangements $	Other Reserves $	Retained Earnings $	Total $	Unallocated Shares Held by ESOP $	Non-controlling Interests $	Total Equity $
Balance at 1 December 2010		21,156,749	5,053,250	19,579,910	90,642,098	136,432,007	(4,644,286)	(1,475,190)	130,312,531
Comprehensive income/(loss)									
Profit/(loss) for the year		—	—	—	6,950,296	6,950,296	—	(253,396)	6,696,900
Other comprehensive income/(loss)									
Currency translation differences	12	—	—	(39,989)	—	(39,989)	—	—	(39,989)
Total comprehensive income/(loss) for the year		—	—	(39,989)	6,950,296	6,910,307	—	(253,396)	6,656,911
Transactions with owners									
Share based payments		—	300,000	—	—	300,000	—	—	300,000
Effect of acquisitions on non-controlling interest		—	—	—	(1,665,947)	(1,665,947)	—	852,347	(813,600)
Equity injection non-controlling interests	15	—	—	—	—	—	—	89,660	89,660
Dividends for 2010 - Paid – 12 cents per share		—	—	—	(7,441,295)	(7,441,295)	—	—	(7,441,295)
Dividends for 2011 - Paid – 10 cents per share		—	—	—	(6,201,079)	(6,201,079)	—	—	(6,201,079)
Dividends to ESOP		—	—	—	182,552	182,552	—	—	182,552
Total transactions with owners		—	300,000	—	(15,125,769)	(14,825,769)	—	942,007	(13,883,762)
Balance at 30 November 2011		21,156,749	5,353,250	19,539,921	82,466,625	128,516,545	(4,644,286)	(786,579)	123,085,680

The notes on pages 54 to 81 are an integral part of these consolidated financial statements.

Consolidated Statement Of Changes In Equity (continued)

(Expressed in Trinidad and Tobago Dollars)

	Notes	Share Capital $	Equity Settled Arrangements $	Other Equity Instrument $	Other Reserves $	Retained Earnings $	Total $	Unallocated Shares Held by ESOP $	Non-controlling Interests $	Total Equity $
Balance at 1 December 2011		21,156,749	5,353,250	—	19,539,921	82,466,625	128,516,545	(4,644,286)	(786,579)	123,085,680
Comprehensive income/(loss)										
Profit/(loss) for the year		—	—	—	—	41,322,135	41,322,135	—	(336,419)	40,985,716
Other comprehensive loss										
Currency translation differences	12	—	—	—	(286,115)	—	(286,115)	—	—	(286,115)
Total comprehensive income/(loss) for the year		—	—	—	(286,115)	41,322,135	41,036,020	—	(336,419)	40,699,601
Transactions with owners										
Share based payments		—	144,006	—	—	—	144,006	—	—	144,006
Convertible share option	13	—	—	50,000,000	—	—	50,000,000	—	—	50,000,000
Dividends for 2011										
- Paid – 10 cents per share		—	—	—	—	(6,201,079)	(6,201,079)	—	—	(6,201,079)
Dividends for 2012										
- Paid – 12 cents per share		—	—	—	—	(7,441,295)	(7,441,295)	—	—	(7,441,295)
Dividends to ESOP		—	—	—	—	182,552	182,552	—	—	182,552
Total transactions with owners		—	144,006	50,000,000	—	(13,459,822)	36,684,184	—	—	36,684,184
Balance at 30 November 2012		21,156,749	5,497,256	50,000,000	19,253,806	110,328,938	206,236,749	(4,644,286)	(1,122,998)	200,469,465

The notes on pages 54 to 81 are an integral part of these consolidated financial statements.

Consolidated Statement Of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year Ended 30 November 2012 $	2011 $
Cash Flows From Operating Activities			
Cash generated from operations	29	116,200,819	75,569,249
Interest paid		(12,738,966)	(9,386,368)
Income tax paid		(15,268,286)	(14,034,485)
Net cash generated from operating activities		88,193,567	52,148,396
Cash Flows From Investing Activities			
Acquisition of Subway business, net of cash acquired	32	(110,971,023)	—
Effect of acquisition of non-controlling interests		—	(813,600)
Purchase of intangible assets	4	(2,199,921)	(1,930,359)
Purchase of property, plant and equipment	3	(33,459,499)	(20,044,647)
Proceeds from disposal of property, plant and equipment		1,445,684	204,284
Decrease in assets of disposal group held for sale	10	634,000	—
Net cash used in investing activities		(144,550,759)	(22,584,322)
Cash Flows From Financing Activities			
Proceeds from borrowings		7,686,784	15,443,312
Equity injection – non-controlling interests	15	—	89,660
Dividends paid to shareholders		(13,459,822)	(13,459,822)
Repayment of borrowings		(30,479,385)	(30,084,810)
Proceeds from related party loan		65,000,000	—
Repayment of related party loan		(5,000,000)	—
Obligation due to vendor arising from the business combination		45,000,000	—
Net cash generated from/(used in) financing activities		68,747,577	(28,011,660)
Net Increase In Cash And Cash Equivalents And Bank Overdrafts		12,390,385	1,552,414
Cash And Cash Equivalents And Bank Overdrafts			
At start of year		12,121,308	10,568,894
At end of year	9	24,511,693	12,121,308

The notes on pages 54 to 81 are an integral part of these consolidated financial statements.

1 General Information

Prestige Holdings Ltd. (Parent Company) was incorporated in the Republic of Trinidad and Tobago on 24 November, 1972 under the Companies Ordinance, Ch. 31 No. 1 and was continued under the Companies Act, 1995 on 26 November, 1997. The Registered Office of the Parent Company is 47-49 Sackville Street, Port of Spain. The Parent Company operates under long-term franchise agreements for the KFC, Pizza Hut and Subway brands through a chain of restaurants in Trinidad and Tobago and is a public limited liability company which is listed on the Trinidad and Tobago Stock Exchange.

Prestige Services Limited is wholly owned by Prestige Holdings Ltd. and is incorporated in St. Christopher/Nevis. This company owns the Development Rights for the T.G.I. FRiDAY'S Brand for the CARICOM and the Dominican Republic markets.

Prestige Holdings Ltd. also owns 100% of the share capital of Prestige Restaurants Jamaica Limited which operates the T.G.I. FRiDAY'S Brand in Jamaica.

Weekenders Trinidad Limited is wholly owned by Prestige Holdings Ltd. and is an amalgamated entity of Weekenders Limited and TCBY Trinidad Limited effective 25 July, 2011. The company is incorporated in the Republic of Trinidad and Tobago. This company operates under a long-term franchise agreement for the T.G.I. FRiDAY'S, TCBY Treats, Mrs Fields Cookies and Pretzel Time Brands in Trinidad and Tobago. It has the development, operational and distribution rights in Trinidad and Tobago, Antigua, Barbuda, Barbados, Dominica, St Lucia and St Vincent and the Grenadines for TCBY Treats. It also has rights of first refusal for "Mrs Fields Cookies" and "Pretzel Time" in these markets.

Prestige Holdings Ltd. owns 80% of the share capital of Prestige Restaurants Limited, a company incorporated in Barbados. This company operates the T.G.I. FRiDAY'S Brand in Barbados.

Restaurant Leasing Corporation Limited is wholly owned by Prestige Holdings Ltd. and is incorporated in the Republic of Trinidad and Tobago. This company owns and leases the premises on which the Subway restaurant and head offices are located.

The ultimate parent company is Victor E. Mouttet Limited, a privately owned company incorporated in the Republic of Trinidad and Tobago.

2 Summary Of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These consolidated financial statements of Prestige Holdings Ltd. have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of land.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 2.31.

2.2.1 Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Group:

There are no IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 December, 2011 that would be expected to have a material impact on the Group.

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 December, 2011 and not early adopted.

- IAS 19, 'Employee benefits' (effective 1 January, 2013), was amended in June 2011. The impact on the Group will be as follows: to eliminate the corridor approach and recognise all actuarial gains and losses in OCI as they occur; to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The Group is yet to assess IAS 19's full impact and intends to adopt IAS 19 no later than the accounting period beginning on or after 1 December, 2013.

- IFRS 10, 'Consolidated financial statements' (effective 1 January, 2013), builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group is yet to assess IFRS 10's full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 December, 2013.

- IFRS 12, 'Disclosure of interests in other entities' (effective 1 January, 2013), includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Group is yet to assess IFRS 12's full impact and intends to adopt IFRS 12 no later than the accounting period beginning on or after 1 December, 2013.

2 Summary Of Significant Accounting Policies (Continued)

2.1 Basis of preparation (continued)

2.1.1 Changes in accounting policy and disclosures (continued)

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 December, 2011 and not early adopted.

- IFRS 9, 'Financial instruments' (effective 1 January, 2015), addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Group is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 December, 2015.

- IFRS 13, 'Fair value measurement' (effective 1 January, 2013), aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The Group is yet to assess IFRS13's full impact and intends to adopt IFRS 13 no later than the accounting period beginning on or after 1 December, 2013.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group's voting rights relative to the size and dispersion of holdings of other shareholders give the Group the power to govern the financial and operating policies, etc.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date.

Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 *Summary Of Significant Accounting Policies (Continued)*

2.2 Consolidation

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Joint venture

A joint venture is an entity in which the Group holds a long-term interest and which is jointly controlled by the Group and one or more other venturers under a contractual arrangement. The results of joint ventures are accounted for using the equity method of accounting.

(e) Transactions and non-controlling interests

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Disposals to non-controlling interests that result in gains or losses for the Group are recorded in the consolidated income statement. Purchases from non-controlling interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Trinidad and Tobago dollars, which is the Company's functional currency and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within 'finance cost (net)'. All other foreign exchange gains and losses are presented in the consolidated income statement within 'administrative expenses'.

2 Summary Of Significant Accounting Policies (Continued)

2.4 Foreign currency translation (continued)

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments are taken to other comprehensive income. When a foreign operation is partially disposed or sold, exchange differences that were recorded in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Land is subsequently shown at market value, based on valuations by external independent valuers at least once every five years. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land are credited to other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to the consolidated income statement.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Freehold buildings and improvements	-	10 - 50 years
Leasehold building improvements	-	10 - 20 years
Plant and machinery and equipment	-	10 - 15 years
Furniture and vehicles	-	5 - 8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other operating expenses in the consolidated income statement.

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

Interest costs on borrowings to finance construction of property, plant and equipment are capitalised during the period of time that is required to complete and prepare the property for its intended use as part of the cost of the assets.

2 *Summary Of Significant Accounting Policies (Continued)*

2.6 Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is included in 'intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to the operating segment.

(b) Franchise agreements – ongoing operations

Franchise agreements for ongoing operations acquired in a business combination are recognised and carried at fair value at the acquisition date and have an indefinite useful life. This asset is tested annually for impairment.

2.7 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

2.9 Financial assets

The Group classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables' and cash and cash equivalents in the consolidated balance sheet (Note 2.13 and 2.14).

2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.11 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

i. Significant financial difficulty of the issuer or obligor;

ii. A breach of contract, such as a default or delinquency in interest or principal payments;

iii. It becomes probable that the customer will enter bankruptcy or other financial reorganisation;

The Group first assesses whether objective evidence of impairment exists.

2 Summary Of Significant Accounting Policies (Continued)

2.11 Impairment of financial assets (continued)

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

2.12 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the average cost method. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses.

2.13 Trade receivables

Trade receivables are amounts due from customers for the sale of goods in the ordinary course of business. If collection is expected in one year or less (or, in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.15 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental external costs directly attributable to the issue of new shares or options, other than in connection with a business combination, are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

2.17 Provisions

Provisions for restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2 Summary Of Significant Accounting Policies (Continued)

2.18 Employee benefits

(a) Share-based payment

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options are exercised, the company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

The grant by the company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

The social security contributions payable in connection with the grant of the share options is considered an integral part of the grant itself, and the charge will be treated as a cash-settled transaction.

(b) Pension obligations

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

2 *Summary Of Significant Accounting Policies (Continued)*

2.18 Employee benefits (continued)

(b) Pension obligations (continued)

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(c) Employee Share Ownership Plan (ESOP)

The Company operates an Employee Share Ownership Plan and has accounted for all unallocated ESOP shares as a deduction in Equity. Shares allocated to employees as part of their bonus are expensed to staff costs based on the market value of the shares allocated. The ESOP account is credited with the cost of the shares allocated and any difference between this amount and the value charged to staff costs is charged/credited to shareholders' equity.

2.19 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The principal temporary difference arises from the difference between the accounting and tax treatment of depreciation on property, plant and equipment and tax losses.

2.20 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Sales of goods are recognised upon delivery of products and customer acceptance, or performance of services. Revenue is shown net of value-added tax, returns, and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the Group and when specific criteria have been met for the Group's activities. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Interest income is recognised on a time-proportion basis using the effective interest method.

2 Summary Of Significant Accounting Policies (Continued)

2.21 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Prepaid interest on the long-term debt is amortised over the period of the loan agreement.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.22 Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.23 Dividend distribution

Dividend distribution is recorded in the Group's financial statements in the period in which the dividends are approved by the Board of Directors.

2.24 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement under the terms of the lease.

2.25 Franchise fees

The Group pays an initial fee to the Franchisor for every new store and a renewal fee upon the expiration of the initial franchise period. The initial and renewal fees are written off over the ten to twenty year period to which they relate.

2.26 Development rights

Investment in the development rights is capitalised and amortised using the straight-line method over its estimated useful life but not exceeding ten years.

2.27 Royalty expenses

Royalty expense is recognised on the accrual basis and charged to the consolidated income statement (included in cost of sales) in accordance with the substance of the relevant agreements.

2.28 Comparative information

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. Comparative figures were adjusted to account for the reclassification of the share of loss from discontinued operations (Note 25).

2 Summary Of Significant Accounting Policies (Continued)

2.29 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, product and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

a) Market risk

i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

As at 30 November, 2012, if the currency had weakened/strengthened by 3% against the US dollar with all other variables held constant, post-tax profits for the year would have been $743,135 (2011: $456,379) lower/higher, mainly as a result of foreign exchange losses/gains on translation of US dollar-denominated trade payables and accruals.

ii) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. Given the economic environment, the Group's policy is to maintain a significant portion of its borrowings in fixed rate instruments.

iii) Price risk

The Group is not exposed to equity securities price risk since there are no investments held as available for sale or at fair value through profit or loss.

b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to trade customers. For banks and financial institutions, only those with good standing and with a sound reputation are used. No independent rating exists for trade customers and as a result an internal credit assessment is performed taking into account their financial position, past experience and other factors. Credit limits are set for trade customers which are regularly monitored.

Management does not expect any significant losses from non-performance by counterparties.

c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its un-drawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal balance sheet ratio targets.

2 Summary Of Significant Accounting Policies (Continued)

2.29 Financial risk management (continued)

c) Liquidity risk (continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows.

Comparative information has been restated as permitted by the amendments to IFRS 7 for the liquidity risk disclosures.

	6 months or less $	6 to 12 months $	1 to 5 years $
At 30 November 2012			
Borrowings – third party	37,548,302	10,411,789	51,013,816
Borrowings – related party	2,500,000	2,500,000	5,000,000
Due to related party	—	—	1,578,349
Bank overdrafts	34,750	—	—
Other payable	45,000,000	—	—
Trade and other payables, excluding statutory liabilities	89,912,651	—	—
	174,995,703	12,911,789	57,592,165
At 30 November 2011			
Borrowings	44,622,341	11,343,307	72,187,299
Bank overdrafts	21,963	—	—
Trade and other payables, excluding statutory liabilities	76,516,535	—	—
	121,160,839	11,343,307	72,187,299

d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) and bank overdraft less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

	2012 $	2011 $
Total borrowings and bank overdrafts	96,861,918	109,641,730
Less: cash and cash equivalents	(24,546,443)	(12,143,271)
Net debt	72,315,475	97,498,459
Total equity	200,469,465	123,085,680
Total capital	272,784,940	220,584,139
Gearing ratio	27%	44%

2.30 Fair value estimation

Fair value represents an estimate of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists. Many of the Group's financial instruments lack an available trading market. Therefore, these instruments have been valued using present value or other valuation techniques and may not necessarily be indicative of the amounts realisable in an immediate settlement of the instruments. In addition, the calculation of estimated fair value is based on market conditions at a specific point in time and may not be reflective of future fair values.

The fair values of receivables, cash and deposits, and payables are assumed to approximate their carrying values due to their short-term nature.

2 *Summary Of Significant Accounting Policies (Continued)*

2.31 *Critical accounting estimates and judgements*

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Income taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(b) Estimated impairment of goodwill and intangible assets

The Group tests annually whether goodwill and intangible assets have suffered any impairment in accordance with the accounting policy stated in Note 2.6. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (See also Note 4).

3 *Property, Plant And Equipment*

	Land, buildings and improvements $	Plant and machinery $	Furniture and vehicles $	Total $
Year Ended 30 November 2012				
Opening net book amount	146,617,239	50,900,715	45,817,268	243,335,222
Additions	10,635,303	10,740,400	12,083,796	33,459,499
Assets acquired under business combination (Note 32)	30,625,595	20,028,093	883,605	51,537,293
Disposals	(474,213)	(1,268,099)	(446,561)	(2,188,873)
Exchange differences	(149,855)	(24,943)	(40,414)	(215,212)
Depreciation charge	(13,670,115)	(16,508,944)	(8,592,656)	(38,771,715)
Closing net book amount	173,583,954	63,867,222	49,705,038	287,156,214
At 30 November 2012				
Cost or valuation	248,522,654	203,722,274	104,195,319	556,440,247
Accumulated depreciation	(74,938,700)	(139,855,052)	(54,490,281)	(269,284,033)
Net book amount	173,583,954	63,867,222	49,705,038	287,156,214
Year Ended 30 November 2011				
Opening net book amount	146,184,376	58,552,673	47,141,625	251,878,674
Additions	8,910,510	4,356,064	6,778,073	20,044,647
Disposals	(28,992)	(25,012)	(83,869)	(137,873)
Exchange differences	(18,704)	(7,643)	(1,462)	(27,809)
Depreciation charge	(8,429,951)	(11,975,367)	(8,017,099)	(28,422,417)
Closing net book amount	146,617,239	50,900,715	45,817,268	243,335,222
At 30 November 2011				
Cost or valuation	208,574,068	175,683,148	92,322,508	476,579,724
Accumulated depreciation	(61,956,829)	(124,782,433)	(46,505,240)	(233,244,502)
Net book amount	146,617,239	50,900,715	45,817,268	243,335,222
At 30 November 2010				
Cost or valuation	199,728,832	171,381,520	85,651,776	456,762,128
Accumulated depreciation	(53,544,456)	(112,828,847)	(38,510,151)	(204,883,454)
Net book amount	146,184,376	58,552,673	47,141,625	251,878,674

Depreciation expense of $38,771,715 (2011: $28,422,417) is included in other operating expenses.

Included in land and buildings is freehold land which was valued by an independent valuator in 2008 on the basis of market value for existing use and amounted to $37,055,000. If land was stated on the historical cost basis, the amount would be $14,488,230.

Bank borrowings are secured on fixed assets of the Group for the value of approximately $60 million (2011: $76 million).

4 Intangible Assets

	Goodwill $	Development rights $	Other deferred costs $	Total $
Year Ended 30 November 2012				
Opening net book amount	6,157,578	630,386	8,170,372	14,958,336
Additions	—	—	2,199,921	2,199,921
Intangible assets acquired under business combination (Note 32)	18,633,730	—	40,800,000	59,433,730
Exchange differences	—	—	(7,252)	(7,252)
Amortisation charge	—	(359,384)	(1,821,881)	(2,181,265)
Closing net book amount	24,791,308	271,002	49,341,160	74,403,470
At 30 November 2012				
Cost or valuation	25,427,536	6,301,813	65,760,854	97,490,203
Accumulated amortisation and impairment	(636,228)	(6,030,811)	(16,419,694)	(23,086,733)
Net book amount	24,791,308	271,002	49,341,160	74,403,470
Year Ended 30 November 2011				
Opening net book amount	6,157,578	1,260,542	7,883,411	15,301,531
Additions	—	—	1,930,359	1,930,359
Exchange differences	—	—	(1,397)	(1,397)
Amortisation charge	—	(630,156)	(1,642,001)	(2,272,157)
Closing net book amount	6,157,578	630,386	8,170,372	14,958,336
At 30 November 2011				
Cost or valuation	6,793,806	6,301,813	22,760,933	35,856,552
Accumulated amortisation and impairment	(636,228)	(5,671,427)	(14,590,561)	(20,898,216)
Net book amount	6,157,578	630,386	8,170,372	14,958,336
At 30 November 2010				
Cost or valuation	6,793,806	6,301,813	20,830,574	33,926,193
Accumulated amortisation and impairment	(636,228)	(5,041,271)	(12,947,163)	(18,624,662)
Net book amount	6,157,578	1,260,542	7,883,411	15,301,531

Amortisation charge of $2,181,265 (2011: $2,272,157) is included in other operating expenses.

Franchise agreements for ongoing operations of the Subway business acquired in the business combination are recognised and carried at fair value at the acquisition date. These franchise agreements are for a 20 year period, however the Franchisor has always renewed for an additional 20 year period since inception of the Subway operations in 1974. As a result, the franchise agreements have been estimated to have indefinite useful lives and are tested annually for impairment.

The development rights represent the costs associated with the acquisition of rights for the KFC branch in Tobago and the T.G.I. FRiDAY'S brand in CARICOM.

Other deferred costs represent franchise fees and loan fees capitalised, and amortised over remaining periods of three to fifteen years.

4 Intangible Assets (continued)

Impairment tests for goodwill

	2012 $	2011 $
Weekenders Trinidad Limited	6,157,578	6,157,578

The recoverable amount of each business unit is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets and forecasts approved by management covering a five year period. Cash-flows for the five year period are extrapolated using the estimated growth rates stated below.

The key assumptions used for value-in-use calculations in 2012 are as follows:

	Gross margin %	Growth rate %	Discount rate %
Weekenders Trinidad Limited	42	4	14.1

The key assumptions used for value-in-use calculations in 2011 are as follows:

	Gross margin %	Growth rate %	Discount rate %
Weekenders Trinidad Limited	49	5	12.9

Assumptions for gross profit margins, growth rates and pre-tax weighted average cost of capital are based upon past performance, economic conditions and expectations for market development.

Impairment tests for intangibles arising from the Subway business combination

	2012 $	2011 $
Goodwill (Note 32)	18,633,730	—
Intangible assets – franchise agreements (Note 32)	40,800,000	—
Assets acquired	59,433,730	—

The recoverable amount of each business unit is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets and forecasts approved by management covering a five year period. Cash-flows for the five year period are extrapolated using the estimated growth rates stated below.

The key assumptions used for value-in-use calculations in 2012 are as follows:

	Gross margin %	Growth rate %	Discount rate %
Subway business combination	38	3	14.2

Assumptions for gross profit margins, growth rates and pre-tax weighted average cost of capital are based upon past performance, economic conditions and expectations for market development.

5(a) Financial Instruments By Category

	Loans and receivables 2012 $	2011 $
Assets as per balance sheet		
Trade and other receivables, excluding prepayments	14,854,354	12,826,326
Cash and cash equivalents (excluding bank overdrafts)	24,546,443	12,143,271
Total	39,400,797	24,969,597

	Other financial liabilities at amortised cost 2012 $	2011 $
Liabilities as per balance sheet		
Borrowings – third party	86,827,168	109,619,767
Borrowing – related party	10,000,000	—
Trade and other payables, excluding statutory liabilities	89,912,651	76,516,535
Other payable	45,000,000	—
Due to related parties	1,578,349	1,043,759
Bank overdrafts	34,750	21,963
Total	233,352,918	187,202,024

5(b) Credit Quality Of Financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to the Group's internal aged receivable analysis; customers with aging of 0 – 90 days are not considered past due or impaired.

Trade receivables	2012 $	2011 $
Group 1 – Customers (0 – 60 days)	3,145,925	2,104,862
Group 2 – Customers (61 – 90 days)	447,624	608,725
	3,593,549	2,713,587

6 Deferred Income Tax

	2012	2011
Opening amount	6,620,839	8,849,453
Charge/(credit) to income statement (Note 24)	120,177	(2,233,326)
Exchange differences	28,440	4,712
Closing amount	6,769,456	6,620,839

The deferred income tax assets and liabilities at the end of the year are attributable to the following items:

	2011 $	(Credit)/Charge To Income Statement $	Foreign Currency Translation $	2012 $
Deferred income tax liabilities				
Accelerated tax depreciation	8,690,242	(825,472)	—	7,864,770
Deferred income tax assets				
Tax losses	(2,069,403)	945,649	28,440	(1,095,314)
	6,620,839	120,177	28,440	6,769,456

Notes to the Consolidated Financial Statements (continued)

30 November 2012
(Expressed in Trinidad and Tobago Dollars)

6 Deferred Income Tax (continued)

	2010 $	Credit To Income Statement $	Foreign Currency Translation $	2011 $
Deferred income tax liabilities				
Accelerated tax depreciation	9,542,390	(852,148)	—	8,690,242
Deferred income tax assets				
Tax losses	(692,937)	(1,381,178)	4,712	(2,069,403)
	8,849,453	(2,233,326)	4,712	6,620,839

The Group has accumulated tax losses of approximately $15.3 million (2011: $21.2 million) available for set off against future chargeable profits. Tax losses of approximately $12.1 million (2011: $15.7 million) have not been recognised for purposes of deferred taxation because of the uncertain future timing of their recoverability.

7 Inventories

	2012 $	2011 $
Food supplies and packaging materials	36,624,029	21,879,835
Consumable stores	6,300,250	4,974,759
	42,924,279	26,854,594

The cost of inventories recognised as expense and included in "cost of sales" amounted to $353,165,846 (2011: $284,709,159).

The write-down of inventories recognised as expense and included in "administrative expenses" amounted to $769,498 (2011: $857,946).

8 Trade And Other Receivables

	2012	2011
Trade receivables	5,072,113	3,364,791
Less: provision for impairment of trade receivables	(411,915)	(411,915)
	4,660,198	2,952,876
Prepayments	6,019,473	2,508,011
Other receivables	10,194,157	9,873,450
	20,873,828	15,334,337

As of 30 November, 2012, trade receivables of $3,593,549 (2011: $2,713,587) were fully performing.

As of 30 November, 2012, trade receivables of $1,066,649 (2011: $239,289) were past due but not considered impaired. These relate to a number of independent customers for whom there is no recent history of default.

As at 30 November, 2012, trade receivables of $411,915 (2011: $411,915) were impaired and provided for.

Movements on the Group's provision for impairment of trade receivables are as follows:

	2012	2011
At 1 December	411,915	245,542
Provision for receivables impairment	—	166,373
At 30 November	411,915	411,915

The carrying amount of the Group's trade and other receivables are denominated in the following currencies:

	2012	2011
Trinidad and Tobago dollar	19,996,238	14,908,950
Other currencies	877,590	425,387
	20,873,828	15,334,337

9 Cash And Cash Equivalents

	2012 $	2011 $
Cash at bank and on hand	24,546,443	12,143,271
Bank overdrafts	(34,750)	(21,963)
	24,511,693	12,121,308

10 Assets Of Disposal Group Classified As Held For Sale And Discontinued Operations

Fair value of investment held for sale		634,000

The investment held for sale as at 30 November, 2011 related to the joint venture operation, Kentucky Foods Group Limited, and was sold during the year ended 30 November, 2012.

The total loss to Prestige Holdings Ltd., which represents the carrying value of this investment, is disclosed in the consolidated income statement as "Loss for the year from discontinued joint venture operation".

	2012 $	2011 $
Investment in joint venture	—	14,935,288
Share of loss	—	5,511,600
Fair value	—	(634,000)
	—	19,812,888
Receivable from joint venture	—	9,698,065
Loss for the year from discontinued joint venture operation	—	29,510,953

11 Share Capital

	Common Shares No. of Shares	$
Balance at 30 November 2011	62,010,792	21,156,749
Balance at 30 November 2012	62,010,792	21,156,749

Authorised share capital

The Company has an unlimited number of authorised common shares of no par value.

Share option plan for directors and management

The Parent Company has established a Share Option Plan for the benefit of certain full time employees (executive, senior and middle management positions) and two non-executive directors.

Shareholders have approved up to a total of 5,000,000 common shares for grant of options (option shares) under the Share Option Plan. The current status of options at 30 November is as follows:

	Number of Optons 2012	2011	Movement
Total share options allocated to the Plan	5,000,000	5,000,000	—
Total share options cancelled	2,219,713	2,031,220	188,493
Total share options granted	(5,192,920)	(5,192,920)	—
Remaining shares allocated to the Plan in respect of Options not yet granted	2,026,793	1,838,300	188,493

No share options were granted during the year (2011: nil).

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11 *Share Capital (continued)*

Share option plan for directors and management

	Number of Options 2012	2011
Total share options granted at 1 December	799,144	956,769
Exercised during the year	(72,359)	(137,419)
Cancelled during the year	(188,493)	(20,206)
Total share options granted not yet exercised at 30 November	538,292	799,144

Share options outstanding at the end of the year have the following expiry dates and option prices:

Expiry date	Option price	Number of Options 2012	2011
2012	8.80	—	135,809
2013	11.83	106,703	117,587
2014	5.50	177,041	247,886
2015	5.75	254,548	297,862
		538,292	799,144

12 Other Reserves

	Revaluation $	Currency Translation $	Total $
Balance at 1 December 2010	22,566,770	(2,986,860)	19,579,910
Currency translation differences	—	(39,989)	(39,989)
Balance at 30 November 2011	22,566,770	(3,026,849)	19,539,921
Balance at 1 December 2011	22,566,770	(3,026,849)	19,539,921
Currency translation differences	—	(286,115)	(286,115)
Balance at 30 November 2012	22,566,770	(3,312,964)	19,253,806

13 Other Equity Instrument

	2012 $	2011 $
Convertible share option	50,000,000	—

The acquisition of the Subway business was funded through an unsecured loan of $65 million from the ultimate parent, Victor E. Mouttet Limited (VEML). The $65 million loan from VEML bears interest at a fixed rate of 7.5% per annum. The principal is payable in six semi-annual instalments of $2.5 million with the first instalment due in May 2012, and the balance through a rights issue of common shares up to $50 million at PHL's option. As soon as it is practicable, management will review the Group's combined capital structure, to determine the optimal debt to equity ratio, and take appropriate action on its capitalisation.

14 Unallocated Shares Held By ESOP

The Parent Company established an Employees' Profit and Share Ownership Plan for all permanent employees. The Trust Deed and Rules of the Plan have been approved by the Board of Inland Revenue under Section 35 of the Income Tax Act Chapter 75:01.

For the year ended 30 November, 2012, there were no contributions to the Plan (2011: nil).

Unallocated shares held by the ESOP are as follows:

	Ordinary Shares	
	$	$
Balance at 30 November 2011	829,783	4,644,286
Balance at 30 November 2012	829,783	4,644,286

15 Non-Controlling Interests

	2012 $	2011 $
At beginning of year	(786,579)	(1,475,190)
Share of losses	(336,419)	(253,396)
Effect of acquisition of non-controlling interests	—	852,347
Equity injection	—	89,660
At end of year	(1,122,998)	(786,579)

16 Borrowings – Third Party

	2012 $	2011 $
Non-current		
Bank borrowings	44,056,108	60,325,774
Current		
Bank borrowings	16,271,060	16,765,263
Bankers' acceptances and other loans	26,500,000	32,528,730
	42,771,060	49,293,993
Total borrowings	86,827,168	109,619,767

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates at the end of the reporting period are as follows:

6 months or less	26,500,000	32,528,730

The carrying amount and fair value of the non-current borrowings are as follows:

	Carrying amount		Fair value	
	2012 $	2011 $	2012 $	2011 $
Bank borrowings	44,056,108	60,325,774	37,182,836	49,222,744

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based on the borrowing rate of 5% to 9.5% (2011: 6% to 9.5%).

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2012 $	2011 $
Trinidad and Tobago dollar	84,670,206	106,718,100
Barbados dollar	2,156,962	2,901,667
	86,827,168	109,619,767

16 Borrowings (continued)

Parent Company:

Loan 1 – Fixed Rate Bond B $91.7 Million

This loan bears interest at a fixed rate of 7.75% per annum. Interest is payable semi-annually. Principal is payable semi-annually in 20 equal instalments of approximately $4.6m which commenced 1 June, 2006.

The loan is secured by a Registered Demand First Debenture on the Fixed and Floating Assets of the Parent Company.

Loan 2 – Fixed Rate Bond C $60 Million

This loan bears interest at a fixed rate of 9.50% per annum. Interest is payable semi-annually. Principal is payable semi-annually in 20 equal instalments of $3m which commenced 1 June, 2008.

The loan is secured by a Registered Demand First Debenture on the Fixed and Floating Assets of the Parent Company.

Loan 3 – $4 Million

This loan bears interest at a fixed rate of 7.75% per annum for the first 5 years and for the remaining 5 years is fixed at 10.25% per annum. The Company has the right of early repayment of principal at any time without penalties. Principal is repayable in equal monthly instalments of approximately $26,000 until the end of the period, 30 November, 2014.

The loan is secured by a fixed and floating charge on the assets of Prestige Restaurants Jamaica Limited.

Bankers' acceptances and other loans

These unsecured short-term facilities totalling $26.5 million bear interest at an average rate of 5.92% (2011: 6%) per annum.

Subsidiary Companies:

Loan 4 – $4.87 Million

Interest is at a fixed rate of 7.75% per annum for the first 5 years and for the remaining 3 years is fixed at 10.25% per annum. The Company has the right of early repayment of principal at any time without penalty. Principal is repayable in equal monthly instalments of approximately $44,200 until the end of the period, 31 December, 2012.

The loan is secured by a fixed and floating charge on the assets of Weekenders Trinidad Limited.

Loan 5 – $5.1 Million

This loan represents an amount owed to CIBC FirstCaribbean International Bank (Barbados) Limited bearing interest at 8% per annum. The loan is secured by a Registered Demand First Debenture on the Fixed and Floating Assets of Prestige Restaurants Limited (Barbados). Principal is repayable over a seven year period with monthly instalments of approximately $62,200 until the end of the period, 31 January, 2015.

17 Related Party Transactions

	2012 $	2011 $
a) Due to related parties		
Non-current		
Due to ultimate parent company - borrowings (see Note 13)	5,000,000	—
Current		
Due to affiliated company	1,578,349	1,043,759
Due to ultimate parent company - borrowings (see Note 13)	5,000,000	—
	6,578,349	1,043,759

The Parent company conducted the following transactions with its affiliated companies:

	2012	2011
Purchase of foods and related supplies	15,846,918	11,263,413
Loan from ultimate parent company	65,000,000	—
Repayment of ultimate parent company loan	5,000,000	—
Interest charged on ultimate parent company loan	4,833,333	—
Lease of properties	1,380,162	1,117,371

17 *Related Party Transactions (continued)*

	2012 $	2011 $
b) Directors' fees	380,600	400,800
c) Key management compensation		
Salaries and other short-term benefits	6,654,216	5,526,129

18 *Retirement Benefit Obligations*

	2012 $	2011 $
Retirement benefit obligation for liability in the balance sheet:		
Pension benefits	73,863	—
Income statement charge (Note 30):		
Pension benefits	573,059	—
The amounts recognised in the balance sheet are determined as follows:		
Present value of funded obligations	5,386,492	—
Fair value of plan assets	(4,368,296)	—
Deficit of funded plan	1,018,196	—
Unrecognised actuarial losses	(944,333)	—
Liability in the balance sheet	73,863	—

	2012 $
The movement in the defined benefit obligation over the year is as follows:	
Net liability acquired in a business combination	3,429,873
Interest cost	273,596
Current service cost	817,713
Benefits payable	(76,842)
Actuarial loss on obligation	942,152
Present value of obligation at end of year	5,386,492
The movement in the fair value of plan assets over the year is as follows:	
Assets acquired in a business combination	3,187,807
Expected return on plan assets	184,348
Total contributions	1,075,164
Benefits payable	(76,842)
Actuarial loss on plan assets	(2,181)
Fair value of plan assets at end of year	4,368,296
The amounts recognised in the income statement are as follows:	
Current service cost	483,811
Interest cost	273,596
Expected return on plan assets	(184,348)
Total included in employee benefit expense (Note 30)	573,059

The actual return on plan assets was $182,167.

The principal actuarial assumptions were as follows:

	Per Annum
Discount rate at end of year	5%
Expected return on plan assets	5%
Future salary increases	4%

18 Retirement Benefit Obligations (Continued)

The sensitivity of the overall pension liability to changes in the weighted principal assumptions is:

	Change in assumption	Impact on overall liability
Discount rate	Increase by 0.5%	Decrease by 13.6%
Discount rate	Decrease by 0.5%	Increase by 16.1%
Salary growth rate	Increase by 0.5%	Increase by 9.8%
Salary growth rate	Decrease by 0.5%	Decrease by 8.8%

The plan assets are invested in a Deposit Administration Fund managed by Sagicor Life Inc.

	2012 $	2011 $
As at 30 November		
Present value of defined benefit obligation	5,386,492	3,429,873
Fair value of plan assets	(4,368,296)	(3,187,807)
Deficit	1,018,196	242,066

Expected contributions to the plan for the year ending 30 November, 2013 amount to $1,086,421.

The date of the most recent actuarial valuation was 13 October, 2010 which valued the plan as at 1 April, 2010. The next actuarial valuation is due as at 31 March, 2013.

19 Trade And Other Payables

	2012 $	2011 $
Trade payables	66,357,453	54,335,409
Accrued expenses	25,642,766	16,569,389
Payroll related taxes and other benefits	9,756,848	5,966,364
	101,757,067	76,871,162

20 Other Payable

Deferred payment to seller of Subway business	45,000,000	—

This represents the balance on the purchase price payable to the shareholders of Mainstream Foods Limited payable 18 months after 1 December, 2011. This balance is interest free.

21 Cost Of Sales

Cost of sales includes food supplies, packaging materials, labour and other costs directly related to the level of sales.

22 Expenses By Nature – Continuing Operations

	2012 $	2011 $ Restated
The following items have been charged/(credited) in arriving at the operating profit:		
Cost of inventories (Note 7)	353,165,846	284,709,159
Employee benefit expense (Note 30)	131,167,427	103,278,798
Other expenses	63,399,583	49,870,287
Royalties	53,614,835	39,231,458
Operating lease expenses	43,218,898	30,168,102
Depreciation and amortisation	40,683,150	30,426,845
Advertising costs	33,538,030	26,284,956
Utilities	23,410,788	18,797,477
Repairs and maintenance on property, plant and equipment	21,481,164	12,914,346
Security	18,120,236	14,356,354
Insurance	4,919,952	3,232,544
Foreign exchange gains	(8,283)	(125,588)
Profit on disposal of property, plant and equipment	(428,791)	(66,411)
Cost of sales, other operating and administrative expenses	786,282,835	613,078,327

23 Finance Costs – Net

Bank borrowings - interest expense	8,034,745	9,505,469
Interest on ultimate parent company loan	4,833,333	—
Interest income on short-term bank deposits	(129,112)	(119,101)
	12,738,966	9,386,368

24 Taxation

Current tax	15,857,983	13,761,511
Deferred tax charge/(credit) (Note 6)	120,177	(2,233,326)
Green fund and business levy	799,822	698,596
	16,777,982	12,226,781

The taxation charge differs from the theoretical amount that would arise using the basic rate of tax as follows:

Profit before tax, after discontinued operations	57,763,698	18,923,681
Tax calculated at 25%	14,440,925	4,730,920
Permanent differences	845,832	118,252
Expenses not deductible for tax purposes	916,053	299,173
Green fund and business levy	799,822	698,596
Prior year adjustments	18,924	374,955
Effect of different tax rates in other countries	18,756	(690)
Tax losses not recognised	410,627	286,697
Utilisation of tax losses previously not recognised	(672,957)	(1,658,860)
Tax effect of loss from discontinued joint venture operation	—	7,377,738
	16,777,982	12,226,781

The Group has accumulated tax losses of approximately $15.3 million (2011: $21.2 million) available for set off against future chargeable profits. Tax losses of approximately $12.1 million (2011: $15.7 million) have not been recognised for purposes of deferred taxation because of the uncertain future timing of their recoverability.

25 Discontinued Operations

In November 2012, at a meeting held by the Board of Directors of Prestige Holdings Ltd., the necessary approvals and authorisations were provided with regard to the termination of the operations of TCBY, as its four restaurants in Trinidad continued to incur significant operating losses. The TCBY restaurants operated for twelve months in this financial period.

The resulting total loss to the Group is disclosed in the Income Statement as "Loss for the year from discontinued operations".

	2012 $	2011 $
Revenue	2,670,952	2,591,560
Cost of sales	(1,852,990)	(1,927,508)
Gross profit	817,962	664,052
Other operating and administrative expenses	(1,641,164)	(1,532,973)
Operating loss	(823,202)	(868,921)
Loss on disposal of property, plant and equipment	(1,171,980)	—
Loss for the year from discontinued operations	(1,995,182)	(868,921)

Expenses By Nature - Discontinued Operations

The following items have been charged in arriving at the loss on discontinued operations:

	2012 $	2011 $
Cost of inventories recognised as expenses	1,188,605	1,131,602
Loss on disposal of property, plant and equipment	1,171,980	—
Employee benefit expense	853,400	932,420
Other expenses	539,780	427,661
Other lease expenses	370,051	361,572
Depreciation and amortisation	269,830	267,728
Utilities	120,195	89,910
Royalties	66,774	64,789
Advertising cost	6,144	103,678
Repairs and maintenance on property, plant and equipment	20,416	25,724
Security	18,752	21,399
Insurance	40,207	33,998
	4,666,134	3,460,481

26 Group Earnings Per Share

(a) Basic

Basic earnings per share is calculated by dividing the net profit attributable to equity holders by the weighted average number of common shares in issue during the year.

	2012	2011
Profit attributable to owners of the Parent Company	43,317,317	37,330,170
Loss from discontinued operations attributable to the owners of the Parent Company	(1,995,182)	(30,379,874)
	41,322,135	6,950,296
Weighted average number of common shares in issue during the year exclusive of ESOP shares	61,181,009	61,181,009
Weighted average number of common shares in issue during the year inclusive of ESOP shares	62,010,792	62,010,792
Basic earnings/(loss) per share (exclusive of ESOP shares)		
From continuing operations	70.8¢	61.0¢
From discontinued operations	(3.2¢)	(49.6¢)
	67.6¢	11.4¢
Basic earnings/(loss) per share (inclusive of ESOP shares)		
From continuing operations	69.9¢	60.2¢
From discontinued operations	(3.2¢)	(49.0¢)
	66.7¢	11.2¢

26 Group Earnings Per Share (Continued)

(b) Diluted

For the diluted earnings per share, the weighted average number of common shares in issue is adjusted to assume conversion of all dilutive potential common shares. The share options allocated to employees and non-executive directors are based on the fair value of common shares at 30 November, 2012.

	2012 $	2011 $
Profit attributable to owners of the parent company	43,317,317	37,330,170
Loss from discontinued operations attributable to the owners of the parent company	(1,995,182)	(30,379,874)
	41,322,135	6,950,296
Weighted average number of common shares in issue for diluted earnings per share	61,320,282	61,367,150
Diluted earnings/(loss) per share (exclusive of ESOP shares)		
From continuing operations	70.6¢	60.8¢
From discontinued operations	(3.2¢)	(49.5¢)
	67.4¢	11.3¢

27 Segment Information – Geographical Segment

The Group is principally engaged in the restaurant industry (casual, quick service and dessert), operating the worldwide KFC, Pizza Hut, Subway, T.G.I. FRiDAY'S and TCBY concepts. Management has determined the operating segments based on the reports reviewed by the Executive Committee and the Board of Prestige Holdings Ltd..

The Executive Committee and the Board consider the business from both a geographic and business unit perspective. Geographically, management considers the performance of operating companies in Trinidad and Tobago, Barbados and Jamaica. The Executive Committee and the Board assess the performance of the operating segments based on a measure of revenue and profit before tax.

Trinidad and Tobago is the home country of the Parent Company which is also the main operating Company. The Parent Company's principal subsidiaries operate in Barbados and Jamaica. All companies operate in the restaurant sector.

The segment results for the year ended 30 November, 2012 are as follows:

	Trinidad $	Others $	Group $
Total segment revenue	829,432,128	27,328,209	856,760,337
Operating profit/(loss)	73,641,471	(1,143,625)	72,497,846
Finance costs - net	(12,482,717)	(256,249)	(12,738,966)
Profit/(loss) before taxation	61,158,754	(1,399,874)	59,758,880
Taxation	(17,331,089)	553,107	(16,777,982)
Profit/(loss) for the year from continuing operations	43,827,665	(846,767)	42,980,898
Loss from discontinued operations	(1,995,182)	—	(1,995,182)
Profit/(loss) for the year	41,832,483	(846,767)	40,985,716

The segment results for the year ended 30 November, 2011 are as follows:

	Trinidad $	Others $	Group $
Total segment revenue	641,384,973	28,299,936	669,684,909
Operating profit/(loss)	59,645,794	(955,871)	58,689,923
Finance costs - net	(9,088,218)	(298,150)	(9,386,368)
Profit/(loss) before taxation	50,557,576	(1,254,021)	49,303,555
Taxation	(12,226,781)	—	(12,226,781)
Profit/(loss) for the year from continuing operations	38,330,795	(1,254,021)	37,076,774
Loss from discontinued joint venture operation	—	(29,510,953)	(29,510,953)
Loss from discontinued operation	(868,921)	—	(868,921)
Profit/(loss) for the year	37,461,874	(30,764,974)	6,696,900

27 *Segment Information – Geographical Segment (Continued)*

Other segment items included in the consolidated income statement are as follows:

	Year ended 30 November 2012		
	Trinidad $	Others $	Group $
Depreciation	37,573,764	1,197,951	38,771,715
Amortisation	2,035,191	146,074	2,181,265

	Year ended 30 November 2011		
	Trinidad $	Others $	Group $
Depreciation	27,211,188	1,211,229	28,422,417
Amortisation	1,853,934	418,223	2,272,157

The segment assets and liabilities at 30 November, 2012 and capital expenditure for the year then ended are as follows:

	Trinidad $	Others $	Group $
Assets	434,189,678	23,227,429	457,417,107
Liabilities	220,876,282	36,071,360	256,947,642
Capital expenditure	33,235,818	223,681	33,459,499

The segment assets and liabilities at 30 November, 2011 and capital expenditure for the year then ended are as follows:

	Trinidad $	Others $	Group $
Assets	305,298,225	16,286,540	321,584,765
Liabilities	190,539,036	7,960,049	198,499,085
Capital expenditure	19,836,506	208,141	20,044,647

28 Dividends

On 25 February, 2013, the Board of Directors of Prestige Holdings Ltd. recommended a final dividend subject to Shareholders' approval at the Annual Meeting of 12 cents, bringing the total dividends for the financial year ended 30 November, 2012 to 24 cents (2011: 20 cents).

29 Cash Generated From Operations

	2012 $	2011 $
Profit before taxation, after discontinued operations	57,763,698	18,923,681
Adjustments for:		
Depreciation and amortisation	40,952,980	30,694,574
Finance costs (net)	12,738,966	9,386,368
Equity settled arrangements	144,000	300,000
Increase in retirement benefit obligations	73,863	—
Foreign exchange differences	(27,212)	(6,071)
Loss/(profit) on disposal of property, plant and equipment	743,195	(66,411)
Loss from discontinued operations - joint venture (Note 10)	—	19,812,888
Changes in current assets and current liabilities:		
Increase in inventories	(16,069,685)	(2,784,430)
Increase in trade and other receivables	(5,539,491)	(4,640,104)
Increase in trade and other payables	24,885,915	3,786,512
Increase due to related parties	534,590	162,242
	116,200,819	75,569,249

30 Employee Benefit Expense

Wages and salaries	119,179,112	95,021,194
Payroll related taxes and other benefits	10,775,899	7,479,100
Share based payment	144,006	300,000
Pension costs – defined contribution plan	495,351	478,504
Pension costs – defined benefit plan	573,059	—
	131,167,427	103,278,798

31 Commitments And Contingencies

Capital commitments

Capital commitments for the Group amounted to approximately $12.4 million at 30 November, 2012 (2011: $3.1 million).

Lease commitments

The Group's minimum lease commitments under the terms of various leases of property, plant and equipment used primarily for its restaurant operations, exclusive of any related value added tax, are as follows:

	2012 $	2011 $
Rentals due within one year	44,016,749	30,595,412
Rentals due between two to five years	147,625,935	109,067,217
Rentals due in more than five years	231,104,834	51,008,780
	422,747,518	190,671,409

Custom bonds

The Group has contingent liabilities in respect of custom bonds arising in the ordinary course of business from which it is anticipated that no material liabilities will arise as follows:

Custom bonds	1,025,000	1,025,000

32 *Business Combination*

Under an agreement dated 1 December, 2011, Prestige Holdings Ltd. (PHL) acquired 100% of the Subway Restaurant business in Trinidad and Tobago and related assets from Mainstream Foods Limited, with effect from that date.

Mainstream Foods Limited is a successful private limited liability company, which was established in October 1997 and owned and operated forty (40) Subway restaurants throughout Trinidad and Tobago as at 1 December, 2011. The acquisition will provide an increase in earnings per share on a stand alone basis. It is anticipated that after factoring interest costs and synergies, the combined Group performance will be further enhanced, and this will facilitate additional growth and development in the Trinidad and Tobago market for the Group. None of the goodwill recognised is expected to be deductible for income tax purposes.

The following table summarises the consideration paid for the Subway Restaurant business, the fair value of assets acquired and liabilities assumed at the acquisition date.

Consideration at 1 December 2011	**$**
Cash	65,000,000
Deferred payment to seller (due May 2013)	45,000,000
Payment to transfer franchise agreements and property	1,736,338
Total consideration	111,736,338
Recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	140,130
Rental deposits on restaurants' properties	625,185
Property, plant and equipment	51,537,293
Franchise agreements – initial fees and ongoing operations	40,800,000
Inventories	5,698,162
Trade payable – inventories	(5,698,162)
Total identifiable net assets	93,102,608
Goodwill	18,633,730
Total	111,736,338

Acquisition-related costs of $1,331,618 have been charged to administrative expenses in the consolidated income statement for the year ended 30 November, 2012.

MANAGEMENT PROXY CIRCULAR
REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CHAPTER. 81:01
(Section 144)

1. **Name of company:**

Prestige Holdings Ltd. .... Company No. P-130 (C)

2. **Particulars of meeting:**

The Annual Meeting of shareholders of the Company to be held at No. 22 London Street, Port of Spain on Wednesday 24 April, 2013 at 10.00 a.m.

1. **Solicitation:**

It is intended to vote the proxy hereby solicited by the management of the Company (unless the shareholder directs otherwise) in favour of all resolutions specified in the Proxy Form sent to the shareholders with this circular and, in the absence of a specific direction, in the discretion of the proxy holder in respect of any other resolution.

2. **Any director's statement submitted pursuant to section 76 (2):**

No statement has been received from any director pursuant to section 76 (2) of the Companies Act, Chapter. 81:01.

3. **Any auditors' statement submitted pursuant to section171 (1):**

No statement has been received from the auditors of the Company pursuant to section 171 (1) of the Companies Act, Chapter. 81:01.

4. **Any shareholder's proposal and/or statement submitted pursuant to sections 116 (a) and 117 (2):**

No proposal or statement has been received from any shareholder pursuant to sections 116 (a) and 117 (2) of the Companies Act, Chapter. 81:01.

Item 7 of the Notice of Meeting: <u>Amendment to the Company's Share Option Plan for Directors and Management ("MSOP")</u>

Shareholders are being asked to approve an amendment to Clauses 8 and 11 of the Company's MSOP Rules.

The MSOP provides for the grant of share options to the Company's employees and its non-executive Directors. The terms of the MSOP Plan are set out in the MSOP Rules.

Clause 8 of the MSOP provides:-

> **No Option shall be granted:-**
> **i. to an Eligible Person or Grantee being an employee of the Company for less than 5,000 or for more than 150,000 Option Shares;**
> **ii. to an Eligible Person or Grantee being a Non-Executive Director of the Company for less than 3,000 or for more than 25,000 Option Shares;**
> **Provided however that any Eligible Person or Grantee may be granted more than one Option which may exceed in total 150,000 Option Shares for an employee of the Company and 25,000 Option Shares for a Non-Executive Director of the Company, subject however to the maximum number of Option Shares available under Clause 11.**

MANAGEMENT PROXY CIRCULAR
REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CHAPTER. 81:01
(Section 144) - *continued*

Clause 11 provides as follows:-

> **The maximum aggregate number of Option Shares comprised in this Plan in respect of which Options may be granted shall be subject to adjustment by the Auditors under Clause 9 hereof, be 3,000,000 Option Shares, of which the maximum number of Option Shares available to Eligible Persons who are Non-Executive Directors shall be 150,000 Option Shares, subject also to adjustment as aforesaid. Option Shares in respect of which Options can no longer be exercised shall be available for subsequent Options granted under the Plan.**

Rule 8 sets out the minimum and maximum amount of Option Shares which may be granted to the two classes of Eligible Persons under the MSOP namely, Employees of the Company and Non-executive Directors. *"Eligible Person"* is defined in the MSOP Rules as *"Any person who is a Director of the Company (including any Non-Executive Director), the Chief Executive Officer of the Company and any full time employee of the Company employed in an executive, senior or middle management position"*.

Pursuant to Rule 8, the minimum and maximum amounts of Option Shares which may be granted to an employee of the Company are 5,000 and 150,000 respectively; the minimum and maximum amounts of Option Shares which may be granted to a Non-Executive Director are 3,000 and 25,000 respectively.

Rule 8 also contemplates that such Eligible Persons may be granted more than one option so that their aggregate Option Shares under the Plan could likely exceed the maximum amount of any one option, but subject to certain limits provided in Rule 11.

The maximum number of Option Shares available under the Plan, as provided for in Rule 11, is 3,000,000 Option Shares, subject to:-

(a) adjustment by the Auditors under Clause 9 of the MSOP Rules; and

(b) Option Shares in respect of which Options can no longer be exercised being available for the grant of subsequent Options under the Plan.

The number of Option Shares in total granted in any one option is calculated by dividing the total annual salary for all Eligible Persons by the average share price for the last three working days of the financial year. Each Eligible Person is then allocated shares based on his annual salary as a percentage of the total annual salary referred to above. Finally, a performance rating index ("PRI") is then applied to determine the final number of Option Shares granted to the Eligible Person. The formula to determine the number of Option Shares granted to each Eligible Person may be written as follows:

$$\frac{\text{Total Annual Salary for all Eligible Persons}}{\text{Average Share Price}} \times \frac{\text{Individual Annual Salary}}{\text{Total Annual Salary for all Eligible Persons}} \times \text{PRI}$$

Using this methodology, there have been instances where the minimum number of Option Shares granted to Eligible Persons who are employees of the Company under Rule 8 (i) was less than the minimum number prescribed by Rule 8.

In order to address this issue, at their meeting of Friday 18 January, 2013 the Directors approved an amendment to the MSOP Rules in accordance with Rule 10 (i) of the MSOP Rules to allow for smaller grant of Option Shares to Employees.

The Directors agreed to amend Rule 8 (i) to reduce the minimum number of Option Shares to Employees from 5,000 to 900 Option Shares. In addition, the Directors agreed that that the minimum and maximum number of Option Shares for both Employees and Non-Executive Directors will be expressly applicable to one option.

MANAGEMENT PROXY CIRCULAR
REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CHAPTER. 81:01
(Section 144) - *continued*

It was agreed that Rule 11 be amended to increase the maximum number of Option Shares that may be granted to 5,000,000 which will facilitate the future grant of Options and to remove the provision on the maximum number of Option Shares that may be granted to Eligible Persons who are Non-Executive Directors as it is already stated in Clause 8.

Your Board considers these amendments important to ensure that the Plan can continue to enhance the Company's ability to attract, retain and motivate directors, officers and employees as well as reward significant performance achievement. It is also in the best interest of the Company to provide executive, senior and middle management of the Company with opportunities for share ownership for these key players to have a vested interest in the Company.

Although the Rules do not provide for shareholders to approve the amendment, the Directors consider that the Company should seek approval for the proposed changes.

The Directors recommend that Shareholders vote for these amendments.

Item 8 of the Notice of Meeting: <u>Issue of new common shares</u>

Shareholders are being asked to approve an ordinary resolution authorising the Company to issue up to a maximum of no more than 9,000,000 common shares of the Company ("the Shares") to the public.

The current liquidity and low interest rate environment provides an opportunity for the Company to restructure its financing more efficiently. In the circumstances the Company proposes to revise its financing structure to issue both Debt and Equity financing.

The Board of Directors therefore proposes to settle the existing higher interest rate bonds and other short term instruments currently used to finance the business into a combination of lower interest rate bonds and an issue of the Shares to the Market.

In relation to Debt financing through the bond re-arrangement, the Company proposes to issue bonds to accredited investors for a total of TT$140,000,000.00 at an interest rate to be determined. However the interest rate is not expected to exceed our current long term borrowing cost which ranges between 7.75% - 9.5%.

In relation to the Equity financing the approximate amount of consideration to be received by the Company from the issuance of the Shares to the public will be approximately TT$60,000,000. This additional equity will be used to replace some of the Company's existing borrowings and to settle the related party financing received to finance the Subway acquisition which took place in 1 December, 2011.

The Company has at present 62,010,792 common shares issued and outstanding. The issue of the Shares to the public would therefore increase the number of common shares outstanding to no more than 71,010,792.

The Listing Agreement between the Company and Trinidad and Tobago Stock Exchange Limited provides that the Company shall not issue equity to persons other than existing shareholders without a resolution of the shareholders approving such an issuance. Once this resolution is approved by the shareholders an application will be made for the Shares to be listed on the Trinidad and Tobago Stock Exchange when issued.

The proposed issuance of the Shares is subject to their registration with the Trinidad and Tobago Securities and Exchange Commission ("the Commission"). The prospectus in support of the issuance is also subject to approval by the Commission. Upon approval by the shareholders of the proposed issuance the Company will enter into an agreement with First Citizens Services Limited to act as its agent to offer the Shares to the public.

The Directors recommend that the Shareholders vote for this issuance.

Date	Name and title	Signature
27 March, 2013	Marlon Danglade Corporate Secretary	

FORM OF PROXY
REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CHAPTER. 81:01
(Section 143(1))

1. Name of Company: **PRESTIGE HOLDINGS LTD.** Company No. P-130(C)
2. Particulars of Meeting: Annual Meeting of Shareholders to be held at No. 22 London Street, Port of Spain on Wednesday 24 April, 2013 at 10.00 a.m.

I/We ....

(Block Letters)

of ....

(Block Letters)

shareholder(s) of the above Company, hereby appoint the Chairman, Mr. Christian Mouttet or failing him

....of ....

....

to be my/our proxy to vote for me/us on my/our behalf at the above meeting and any adjournment thereof in the same manner, to the same extent and with the same powers as if I/we were present at the said meeting or such adjournment or adjournments thereof, and in respect of the resolutions below to vote in accordance with my/our instructions below.

....

(Signature(s) of Shareholder(s))

Dated the ....day of.. 2013.

(Please indicate with an "X" in the spaces below your instructions on how you wish your votes to be cast. Unless otherwise instructed, the proxy may vote or abstain from voting as he/she thinks fit.)

Please consider the **Notes 1 to 6** below for your assistance to complete and deposit this Proxy Form.

NOTES:

1. If it is desired to appoint as a proxy a person other than those named on the form, delete as necessary and insert the name and address of the person appointed.
2. If the Shareholder is a corporation, this Proxy Form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
3. A Shareholder that is a body corporate may, in lieu of appointing a proxy, authorise an individual by resolution of its directors or governing body to represent it at this Annual Meeting.
4. In the case of a joint Shareholder, the names of all joint shareholders must be stated on the proxy form and all joint shareholders must sign the proxy form.
5. If the Proxy Form is returned without any indication as to how the person appointed proxy shall vote, the proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.
6. To be valid, the signed proxy form must be deposited at the Registered Office of the Company at least 48 hours before the time of holding the Annual Meeting.

Return to:
Prestige Holdings Ltd.
47-49 Sackville Street
Port of Spain.

FORM OF PROXY
REPUBLIC OF TRINIDAD AND TOBAGO
THE COMPANIES ACT, CHAPTER. 81:01
(Section 143(1))

Resolution No.	Ordinary Business	For	Against
1	The Audited Financial Statements of the Company and its subsidiaries for the year ended 30 November, 2012 together with the Reports of the Directors and the Auditors thereon be and the same are hereby received and adopted.		
2	Pursuant to the recommendation of the Directors, a final dividend of twelve cents per common share for the year ended 30 November, 2012 be and the same is hereby declared, and that such dividend be paid on 27 May, 2013 to shareholders whose names appear on the register of members on 6 May, 2013.		
3	Mrs. Angela Lee Loy be and is hereby re-elected, a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company to hold office from the date of her election until the close of the third Annual Meeting of the Company following her election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.		
4	Mr. Christian Mouttet be and is hereby re-elected a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company to hold office from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.		
5	Mr. Charles Pashley be and is hereby re-elected a Director of the Company in accordance with paragraph 4.5 of By-Law No. 1 of the Company to hold office from the date of his election until the close of the third Annual Meeting of the Company following his election, subject always to earlier termination under paragraph 4.8.1 of By-Law No. 1.		
6	Messrs. PricewaterhouseCoopers be and are hereby reappointed as the Auditors of the Company to hold office until the close of the next Annual Meeting.		
7	Special Business: The following amendments to Clause 8 and Clause 11 of the Company's Share Option Plan of Directors and Management Rules, as proposed by the Directors at their meeting of 18 January, 2013 be and are hereby approved:- **1. The deletion of Clause 8 and its replacement by the following new Clause 8:-** **8.** No Option shall be granted:- (i) to an Eligible Person or Grantee being an employee of the Company for less than 900 or for more than 150,000 Option Shares in any one option; (ii) to an Eligible Person or Grantee being a Non-Executive Director of the Company for less than 3,000 or for more than 25,000 Option Shares in any one option; Provided however that any Eligible Person or Grantee may be granted more than one Option which may exceed in total 150,000 Option Shares for an employee of the Company and 25,000 Option Shares for a Non-Executive Director of the Company, subject however to the maximum number of Option Shares available under Clause 11. **2. The deletion of Clause 11 and its replacement by the following new Clause 11 -** **Clause 11.** The maximum aggregate number of Option Shares comprised in this Plan in respect of which Options may be granted shall, subject to adjustment by the Auditors under **Clause 9** hereof, be 5,000,000 Option Shares. Option Shares in respect of which Options can no longer be exercised shall be available for subsequent Options granted under the Plan.		
8	The issuance of up to a maximum of 9,000,000 common shares of the Company be and is hereby approved.		

NOTES

Awards and Achievements

Long Service Awards – 10, 15, 25 & 35 years

Awards and Achievements

Long Service Awards – 10, 15, 25 & 35 years

PRESTIGE HOLDINGS LTD.

A Restaurant Management Company

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Years of Satisfaction