



KAWAN FOOD BERHAD

(Company No. 640445-V)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting of Kawan Food Berhad ("Kawan" or "Company") will be held at Lot 2A, Persiaran Kemajuan, Seksyen 16, 40000 Shah Alam, Selangor Darul Ehsan on 24 November 2014 at 10.30 a.m. or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:

ORDINARY RESOLUTION

PROPOSED BONUS ISSUE OF UP TO 90,000,000 NEW ORDINARY SHARES OF RM0.50 EACH IN KAWAN ("KAWAN SHARES") ("BONUS SHARES") ON THE BASIS OF ONE (1) BONUS SHARE FOR EVERY TWO (2) EXISTING KAWAN SHARES HELD AT AN ENTITLEMENT DATE TO BE DETERMINED LATER ("ENTITLEMENT DATE") ("PROPOSED BONUS ISSUE OF SHARES")

"THAT subject to the passing of Special Resolution contained herein, approval be and is hereby given to the Board of Directors of the Company ("Board") to issue up to 90,000,000 Bonus Shares on the basis of one (1) Bonus Share for every two (2) existing Kawan Shares held by the shareholders of the Company as at the close of business on the Entitlement Date ("Entitled Shareholders")."

"THAT the Board be and is hereby authorised to capitalise a total sum of up to RM45,000,000 from the Company's share premium account and/or retained earnings for the purpose of Proposed Bonus Issue of Shares."

"THAT such Bonus Shares shall, upon allotment and issuance, rank pari passu in all respects with the then existing Kawan Shares, save and except that the Bonus Shares shall not be entitled to any dividends, rights, allotments, warrants and/or other distributions that may be declared, made or paid to shareholders, the entitlement date of which is prior to the date of allotment of the Bonus Shares."

"THAT the Board be and is hereby authorised to do all acts and things as they may consider necessary or expedient in the best interest with full powers to assent to any condition, modification, variation and/or amendments as may be required, or imposed by the relevant authorities, and to take all steps and to enter into all such agreement, arrangement, undertaking, indemnities, transfer, assignment and guarantee with any party or persons and to carry out any other matters as may be required to implement, finalise and give full effect to the Proposed Bonus Issue of Shares."

SPECIAL RESOLUTION

PROPOSED INCREASE IN THE AUTHORISED SHARE CAPITAL OF THE COMPANY FROM RM100,000,000 COMPRISING 200,000,000 ORDINARY SHARES OF RM0.50 EACH TO RM500,000,000 COMPRISING 1,000,000,000 ORDINARY SHARES OF RM0.50 EACH AND IN CONSEQUENCE THEREOF, CLAUSE 5 OF THE MEMORANDUM OF ASSOCIATION AND ARTICLE 4 OF THE ARTICLES OF ASSOCIATION OF THE COMPANY BE AMENDED ACCORDINGLY ("PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL")

"THAT approval be and is hereby given for the authorised share capital of the Company to be increased from RM100,000,000 comprising 200,000,000 ordinary shares of RM0.50 each to RM500,000,000 comprising 1,000,000,000 ordinary shares of RM0.50 each by the creation of an additional 800,000,000 new ordinary shares of RM0.50 each and such additional ordinary shares when issued and allotted shall rank pari passu in all respects with the existing ordinary shares of RM0.50 each in the Company AND THAT in consequence thereof, Clause 5 of the Memorandum of Association and Article 4 of the Articles of Association of the Company be and are hereby amended as follows ("Proposed Amendments of M&A"):

Existing	Proposed Amendments of M&A
<p>Memorandum of Association Clause 5 "The capital of the Company is RM100,000,000.00 divided into 200,000,000 ordinary shares of RM0.50 each with power to increase or reduce its capital and the shares in the original or increased or reduced capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise."</p> <p>Articles of Association Article 4 Share Capital "The authorised share capital of the Company is Ringgit Malaysia One Hundred Million only (RM100,000,000.00) divided into Two Hundred Million (200,000,000) ordinary shares of Ringgit Malaysia Fifty Cents (RM0.50) each all rank pari passu with one another."</p>	<p>Clause 5 "The capital of the Company is RM500,000,000.00 divided into 1,000,000,000 ordinary shares of RM0.50 each with power to increase or reduce its capital and the shares in the original or increased or reduced capital may be divided into several classes, and there may be attached thereto respectively any preferential, deferred or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise."</p> <p>Article 4 Share Capital "The authorised share capital of the Company is Ringgit Malaysia Five Hundred Million only (RM500,000,000.00) divided into One Billion (1,000,000,000) ordinary shares of Ringgit Malaysia Fifty Sen (RM0.50) each all ranking pari passu with one another."</p>

AND FURTHER THAT the directors and Secretary of the Company be and are hereby authorised to do all such acts, deeds and things as are necessary to give full effect to the Proposed Increase in Authorised Share Capital with full powers to assent to any conditions, modifications, variations and/or amendments as may be required and/or as the Directors deem fit, appropriate and in the best interests of the Company."

By Order of the Board

NG YIM KONG (LS 0009297)
Company Secretary

Selangor Darul Ehsan
Date: 31 October 2014

Notes:

- A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy in his/her stead.
- A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Act shall not apply to the Company.
- A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting. Where a member appoints more than two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
- Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
- The instrument appointing a proxy must be deposited at the Company's Registered Office at Strategy Corporate Secretariat Sdn Bhd, Unit 07-02, Level 7, Persoft Tower, 6B Persiaran Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time for holding the meeting or at any adjournment thereof. The completed instrument appointing a proxy once deposited will not preclude the member from attending and voting in person at the general meeting should the member subsequently wished to do so.
- For the purpose of determining whether a member is entitled to attend this meeting, the Company shall be requesting from Bursa Malaysia Depository Sdn. Bhd. in accordance with Article 55(3) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 17 November 2014. Only a depositor whose names appear in the Record of Depositors as at 17 November 2014 will be entitled to attend, speak and vote at the Meeting.