

Kawan Food Manufacturing_AGM Announcement (Notice Ad)

Media: NST

Size: 5c(16.2cm) x 33cm

Color: B&W

KAWAN FOOD BERHAD

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



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Eleventh Annual General Meeting of KAWAN FOOD BERHAD will be held at Topas Room, The Saujana Hotel, Jalan Lapangan Terbang SAAS, 40150 Selangor Darul Ehsan, Malaysia on Friday, 29 May 2015 at 10.00 a.m. for the following purposes:-

AGENDA

ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2014 together with the Directors' and Auditors' Reports thereon.
- To approve the payment of Directors' fees for the financial year ended 31 December 2014.
- To re-elect the following Directors who retire pursuant to Article 80 of the Company's Articles of Association:-
 - Mr. Gan Thiam Heek
 - Mr. Lim Peng @ Lim Pang Tun
 - Mr. Jayendra Janardan Ved
- To re-appoint Messrs. Cheng & Co. as the Company's Auditors and to authorise the Board of Directors to fix their remuneration.

Notice B

Resolution 1

Resolution 2

Resolution 3

Resolution 4

Resolution 5

SPECIAL BUSINESS

- Authority for Mr. Chen Seng Chong to Continue in Office as Independent Non-Executive Director of the Company.

"THAT authority be and is hereby given to Mr. Chen Seng Chong who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance 2012."

Resolution 6

- Authority for Mr. Lim Peng @ Lim Pang Tun to Continue in Office as Independent Non-Executive Director of the Company.

"THAT authority be and is hereby given to Mr. Lim Peng @ Lim Pang Tun who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next Annual General Meeting in accordance with the Malaysian Code on Corporate Governance 2012."

Resolution 7

- To consider and, if thought fit, to pass with or without modifications, the following Ordinary Resolutions:

7.1 Ordinary Resolution 1

Authority for Directors to Allot and Issue Shares Pursuant to Section 132D of the Companies Act, 1965

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the issued and paid-up share capital of the Company for the time being, subject always to the approvals of the relevant regulatory authorities AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on Bursa Malaysia Securities Berhad ("Bursa Securities") AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

Resolution 8

7.2 Ordinary Resolution 2

Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with Shana Foods Limited and Rubicon Food Products Limited ("Proposed Renewal of Shareholders' Mandate")

"THAT the Company and/or its subsidiaries be and are hereby authorised to enter into Recurrent Related Party Transactions of a revenue or trading nature with Shana Foods Limited and Rubicon Food Products Limited as specified in Section 2.2 of the Circular to Shareholders dated 7 May 2015, provided that such arrangements and/or transactions which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and on prices and terms which are not more favourable to the Related Parties than those generally available to the public and not detrimental to the minority shareholders of the Company.

Resolution 9

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed Renewal of Shareholders' Mandate.

AND THAT such authority shall continue to be in force until:

- the conclusion of the next Annual General Meeting ("AGM") of the Company following the forthcoming AGM at which such Proposed Renewal of Shareholders' Mandate was passed, at which time it will lapse, unless by an ordinary resolution passed at the meeting, the authority is renewed either unconditionally or subject to conditions;
- the expiration of the period within which the next AGM after the date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("the Act") (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting, whichever is the earlier."

7.3 Ordinary Resolution 3

Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature with K.C. Beilght Food Industry (M) Sdn Bhd, Food Valley Sdn Bhd and Hot & Roll Sdn Bhd ("Proposed Renewal of Shareholders' Mandate")

"THAT the Company and/or its subsidiaries be and are hereby authorised to enter into Recurrent Related Party Transactions of a revenue or trading nature with K.C. Beilght Food Industry (M) Sdn Bhd, Food Valley Sdn Bhd and Hot & Roll Sdn Bhd as specified in Section 2.2 of the Circular to Shareholders dated 7 May 2015, provided that such arrangements and/or transactions which are necessary for the Group's day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and on prices and terms which are not more favourable to the Related Parties than those generally available to the public and not detrimental to the minority shareholders of the Company.

Resolution 10

THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed Renewal of Shareholders' Mandate.

AND THAT such authority shall continue to be in force until:

- the conclusion of the next AGM of the Company following the forthcoming AGM at which such Proposed Renewal of Shareholders' Mandate was passed, at which time it will lapse, unless by an ordinary resolution passed at the meeting, the authority is renewed either unconditionally or subject to conditions;
- the expiration of the period within which the next AGM after the date is required to be held pursuant to Section 143(1) of the Act (but must not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or
- revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting, whichever is the earlier."

- To transact any other ordinary business of the Company of which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

BY ORDER OF THE BOARD

KAWAN FOOD BERHAD

NG YIM KONG (LS 0009297)

Company Secretary
Selangor Darul Ehsan
7 May 2015

Notes:

A. PROXY

- 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 appointor or his/her attorney duly authorised in writing or, if the appointor 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, 68 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.

B. Audited Financial Statements for the financial year ended 31 December 2014

This agenda item is meant for discussion only as the provisions of Section 169(1) of the Companies Act, 1965 and the Company's Articles of Association do not require a formal approval of the said Audited Financial Statements by the shareholders. Hence, this agenda item is not subject to voting by the shareholders.

C. EXPLANATORY NOTES ON SPECIAL BUSINESS

Resolution 6 & 7 - Retention of Independent Non-Executive Directors

Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 recommends that shareholders' approval must be sought in the event that the Company intends to retain the Independent Non-Executive Directors who have served in that capacity more than 9 years.

The Nominating Committee has at the annual assessment assessed the independence of Mr. Chen Seng Chong and Mr. Lim Peng @ Lim Pang Tun who had served more than 9 years, remain objective and independent in expressing their view and in participating in deliberations and decision making of the Board and Board Committees. They are both professionals in their own field and their length of service on the Board does not in any way interfere with their exercise of independent judgement and ability to act in the best interests of the Company. In addition, Mr. Chen Seng Chong and Mr. Lim Peng @ Lim Pang Tun had individually confirmed and declared in writing that they are Independent Directors and they have satisfied all the criteria of an Independent Director set out in paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Board has therefore recommended that the approval of the shareholders be sought to re-appoint Mr. Chen Seng Chong and Mr. Lim Peng @ Lim Pang Tun as Independent Non-Executive Directors.

Resolutions 6 & 7 if passed, will enable the Company to retain Mr. Chen Seng Chong and Mr. Lim Peng @ Lim Pang Tun as Independent Non-Executive Directors.

Resolution 8 - Authority for Directors to allot and issue shares pursuant to Section 132D of the Companies Act, 1965

This resolution is proposed pursuant to Section 132D of the Companies Act, 1965, and if passed, will give the Directors of the Company, from the date of the above Annual General Meeting, authority to issue and allot shares in the Company to and not exceeding in total ten per cent (10%) of the issued and paid-up share capital of the Company for the time being and for such purposes as the Directors deem fit and in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

This mandate is a renewal of the last mandate granted to the Directors at the Tenth Annual General Meeting held on 30 May 2014 which will lapse at the conclusion of the Eleventh Annual General Meeting.

The renewal of this mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment, working capital and/or acquisition or to issue new shares as consideration for investments and/or acquisition which the Directors consider would be in the best interest of the Company.

Up to the date of this Notice, the Company has not issued any shares pursuant to the mandate granted to the Directors at the Tenth Annual General Meeting because there were no investment(s), acquisition(s) or working capital that required fund raising activity.

Resolutions 9 & 10 - Proposed Renewal of Shareholders' Mandate

The Proposed Ordinary Resolutions under Items 7.2 and 7.3 above, if passed, will enable the Company and its subsidiaries ("the Group") to enter into the specified Recurrent Related Party Transactions as set out in Section 2.2 of the Circular to Shareholders dated 7 May 2015 with the specified classes of the Related Parties mentioned therein which are necessary for the Group's day-to-day operations. For further information on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature, please refer to the Circular to Shareholders dated 7 May 2015 enclosed together with the Company's 2014 Annual Report.

D. GENERAL MEETING RECORD OF DEPOSITORS

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 341(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 22 May 2015. Only a depositor whose names appear in the Record of Depositors as at 22 May 2015 will be entitled to attend, speak and vote at the Meeting.