



KAWAN FOOD BERHAD
(Company No. 640445-V)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirteenth 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 Wednesday, 31 May 2017 at 10.00 a.m. for the following purposes:

A G E N D A

As Ordinary Business

- To receive the Audited Financial Statements for the financial year ended 31 December 2016 together with the Reports of the Directors and Auditors thereon.
(Please refer to Note 1 of the Explanatory Notes)
- To approve the Directors' fees and benefits payable to the Directors of the Company of up to RM850,000 for the financial year ending 31 December 2017.
Ordinary Resolution 1
- To re-elect the following Directors who are retiring under Article 80 of the Articles of Association of the Company:

(i) Mr Timothy Tan Heng Han	Ordinary Resolution 2
(ii) Madam Kwan Sok Kay	Ordinary Resolution 3
(iii) Mr Nareshchandra Gordhandas Nagrecha	Ordinary Resolution 4
- To re-elect the following Director who is retiring under Article 85 of the Articles of Association of the Company:

(i) Dr Nik Ismail Bin Nik Daud	Ordinary Resolution 5
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- To re-appoint Messrs Cheng & Co as Auditors of the Company and to authorise the Directors to fix their remuneration.
Ordinary Resolution 6

As Special Business

To consider and, if thought fit, to pass the following resolutions:

- Authority for Mr. Chen Seng Chong to continue in office as Independent Non-Executive Director.
"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."
Ordinary Resolution 7
- 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."
Ordinary Resolution 8
- Proposed Renewal of Shareholders' Mandate for the 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 approval be and is hereby given to the Company, to enter and give effect to the recurrent related party transactions of a revenue or trading nature (hereinafter to be referred to as "Recurrent Transactions") with Shana Foods Limited and Rubicon Food Products Limited as stated in Section 2.4 of the Circular to Shareholders dated 28 April 2017 which are necessary for the Company's day-to-day operations subject further to the following:
 - the Recurrent Transactions contemplated are in the ordinary course of business and on terms which are not more favourable to related parties than those generally available to the public, and are not to the detriment of the minority shareholders;
 - the approval is subject to annual renewal and shall only continue to be in force until:
 - the conclusion of the next Annual General Meeting of the Company following the forthcoming Annual General Meeting of the Company at which the Proposed Renewal of Shareholders' Mandate is approved, at which time it will lapse unless by a resolution passed at the Annual General Meeting the mandate is again renewed;
 - the expiration of the period within which the next Annual General Meeting of the Company after the date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
 - revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier; and
 - the disclosure of the breakdown of the aggregate value of the Recurrent Transactions conducted pursuant to the Proposed Renewal of Shareholders' Mandate in the Annual Report of the Company based on the following information:
 - the type of Recurrent Transactions entered into; and
 - the names of the related parties involved in each type of the Recurrent Transactions entered into and their relationship with the Company.

AND THAT the Directors of the Company be and are hereby authorised to do all acts and things to give full effect to the Recurrent Transactions contemplated and/or authorised by this resolution, as the Directors of the Company, in their absolute discretion, deem fit."
Ordinary Resolution 9

- Proposed Renewal of Shareholders' Mandate for the 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 approval be and is hereby given to the Company, to enter and give effect to the recurrent related party transactions of a revenue or trading nature (hereinafter to be referred to as "Recurrent Transactions") with K.C. Beilght Food Industry (M) Sdn Bhd, Food Valley Sdn Bhd and Hot & Roll Sdn Bhd as stated in Section 2.4 of the Circular to Shareholders dated 28 April 2017 which are necessary for the Company's day-to-day operations subject further to the following:
 - the Recurrent Transactions contemplated are in the ordinary course of business and on terms which are not more favourable to related parties than those generally available to the public, and are not to the detriment of the minority shareholders;
 - the approval is subject to annual renewal and shall only continue to be in force until:
 - the conclusion of the next Annual General Meeting of the Company following the forthcoming Annual General Meeting of the Company at which the Proposed Renewal of Shareholders' Mandate is approved, at which time it will lapse unless by a resolution passed at the Annual General Meeting the mandate is again renewed;
 - the expiration of the period within which the next Annual General Meeting of the Company after the date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
 - revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier; and
 - the disclosure of the breakdown of the aggregate value of the Recurrent Transactions conducted pursuant to the Proposed Renewal of Shareholders' Mandate in the Annual Report of the Company based on the following information:
 - the type of Recurrent Transactions entered into; and
 - the names of the related parties involved in each type of the Recurrent Transactions entered into and their relationship with the Company.

AND THAT the Directors of the Company be and are hereby authorised to do all acts and things to give full effect to the Recurrent Transactions contemplated and/or authorised by this resolution, as the Directors of the Company, in their absolute discretion, deem fit."
Ordinary Resolution 10

- Proposed New Shareholders' Mandate for the Additional Recurrent Related Party Transactions of a Revenue or Trading Nature with Rubicon Drinks International Pte Limited ("Proposed New Shareholders' Mandate")
"THAT approval be and is hereby given to the Company, to enter and give effect to the additional recurrent related party transactions of a revenue or trading nature (hereinafter to be referred to as "Recurrent Transactions") with Rubicon Drinks International Pte Limited as stated in Section 2.4 of the Circular to Shareholders dated 28 April 2017 which are necessary for the Company's day-to-day operations subject further to the following:
 - the Recurrent Transactions contemplated are in the ordinary course of business and on terms which are not more favourable to related parties than those generally available to the public, and are not to the detriment of the minority shareholders;
 - the approval is subject to annual renewal and shall only continue to be in force until:
 - the conclusion of the next Annual General Meeting of the Company following the forthcoming Annual General Meeting of the Company at which the Proposed New Shareholders' Mandate is approved, at which time it will lapse unless by a resolution passed at the Annual General Meeting the mandate is again renewed;
 - the expiration of the period within which the next Annual General Meeting of the Company after the date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
 - revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier; and
 - the disclosure of the breakdown of the aggregate value of the Recurrent Transactions conducted pursuant to the Proposed New Shareholders' Mandate in the Annual Report of the Company based on the following information:
 - the type of Recurrent Transactions entered into; and
 - the names of the related parties involved in each type of the Recurrent Transactions entered into and their relationship with the Company.

AND THAT the Directors of the Company be and are hereby authorised to do all acts and things to give full effect to the Recurrent Transactions contemplated and/or authorised by this resolution, as the Directors of the Company, in their absolute discretion, deem fit."
Ordinary Resolution 11

- Proposed New Shareholders' Mandate for the Additional Recurrent Related Party Transactions of a Revenue or Trading Nature with MH Delight Sdn Bhd ("Proposed New Shareholders' Mandate")
"THAT approval be and is hereby given to the Company, to enter and give effect to the additional recurrent related party transactions of a revenue or trading nature (hereinafter to be referred to as "Recurrent Transactions") with MH Delight Sdn Bhd as stated in Section 2.4 of the Circular to Shareholders dated 28 April 2017 which are necessary for the Company's day-to-day operations subject further to the following:
 - the Recurrent Transactions contemplated are in the ordinary course of business and on terms which are not more favourable to related parties than those generally available to the public, and are not to the detriment of the minority shareholders;
 - the approval is subject to annual renewal and shall only continue to be in force until:
 - the conclusion of the next Annual General Meeting of the Company following the forthcoming Annual General Meeting of the Company at which the Proposed New Shareholders' Mandate is approved, at which time it will lapse unless by a resolution passed at the Annual General Meeting the mandate is again renewed;
 - the expiration of the period within which the next Annual General Meeting of the Company after the date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
 - revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier; and
 - the disclosure of the breakdown of the aggregate value of the Recurrent Transactions conducted pursuant to the Proposed New Shareholders' Mandate in the Annual Report of the Company based on the following information:
 - the type of Recurrent Transactions entered into; and
 - the names of the related parties involved in each type of the Recurrent Transactions entered into and their relationship with the Company.

AND THAT the Directors of the Company be and are hereby authorised to do all acts and things to give full effect to the Recurrent Transactions contemplated and/or authorised by this resolution, as the Directors of the Company, in their absolute discretion, deem fit."

"THAT approval be and is hereby given to the Company, to enter and give effect to the additional recurrent related party transactions of a revenue or trading nature (hereinafter to be referred to as "Recurrent Transactions") with MH Delight Sdn Bhd as stated in Section 2.4 of the Circular to Shareholders dated 28 April 2017 which are necessary for the Company's day-to-day operations subject further to the following:

- the Recurrent Transactions contemplated are in the ordinary course of business and on terms which are not more favourable to related parties than those generally available to the public, and are not to the detriment of the minority shareholders;
- the approval is subject to annual renewal and shall only continue to be in force until:
 - the conclusion of the next Annual General Meeting of the Company following the forthcoming Annual General Meeting of the Company at which the Proposed New Shareholders' Mandate is approved, at which time it will lapse unless by a resolution passed at the Annual General Meeting the mandate is again renewed;
 - the expiration of the period within which the next Annual General Meeting of the Company after the date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
 - revoked or varied by resolution passed by the shareholders in general meeting, whichever is the earlier; and
- the disclosure of the breakdown of the aggregate value of the Recurrent Transactions conducted pursuant to the Proposed New Shareholders' Mandate in the Annual Report of the Company based on the following information:
 - the type of Recurrent Transactions entered into; and
 - the names of the related parties involved in each type of the Recurrent Transactions entered into and their relationship with the Company.

AND THAT the Directors of the Company be and are hereby authorised to do all acts and things to give full effect to the Recurrent Transactions contemplated and/or authorised by this resolution, as the Directors of the Company, in their absolute discretion, deem fit."
Ordinary Resolution 12

- Authority to Issue Shares Pursuant to Section 76 of the Companies Act 2016
"THAT pursuant to Section 76 of the Companies Act 2016, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and from time to time until the conclusion of the next Annual General Meeting of the Company 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 ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at the time of issue, subject to the Constitution of the Company and approval of all the relevant regulatory bodies being obtained for such allotment and issue."
Ordinary Resolution 13
- To transact any other business, of which due notice shall have been given in accordance with the Constitution of the Company and the Companies Act 2016.

BY ORDER OF THE BOARD
TAI YIT CHAN (MAICSA 7009143)
TAI YUEN LING (LS 0008513)
Company Secretaries
Date: 28 April 2017

NOTES:

- A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company.
- A member shall be entitled to appoint more than one (1) proxy and shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, 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 and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited with the Share Registrar of the Company, Symphony Share Registrars Sdn. Bhd. at Level 6, Symphony House Block D13, Pusat Dagangan Dana 1, Jalan PJU 1/4/46, 47301 Petaling Jaya Selangor Darul Ehsan, Malaysia not less than forty-eight (48) hours before the time for holding the meeting or any adjournment thereof. Any notice of termination of person's authority to act as a proxy must be forwarded to the Company prior to the commencement of the Annual General Meeting or Adjourned Annual General Meeting.
- Pursuant to paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the notice of any general meeting will be put to vote by poll.
- If the appointor is a corporation, the instrument appointing a proxy must be executed under its Common Seal or under the hand of its attorney.
- In respect of deposited securities, only members whose names appear on the Record of Depositors on 24 May 2017 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

EXPLANATORY NOTE:

- To receive the Audited Financial Statements**
Agenda item no. 1 is meant for discussion only as the provision of Section 340 of the Companies Act 2016 does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is **not put forward for voting**.
- Authority for Mr Chen Seng Chong and Mr Lim Peng @ Lim Pang Tun to continue in office as Independent Non-Executive Directors**
In respect of Ordinary Resolutions 7 and 8, 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. Mr. Chen Seng Chong and Mr. Lim Peng @ Lim Pang Tun have remained objective and independent in expressing their views and in participating in deliberation and decision making of the Board and Board Committees. Their length of services 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.
- Proposed Renewal of Shareholders' Mandate**
The Ordinary Resolutions 9 and 10 proposed, if passed, will empower the Directors from the date of the Thirteenth Annual General Meeting, to deal with the related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for the Company's day-to-day operations. These recurrent related party transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and not to the detriment of the minority shareholders. This authority unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company and subject always to provision (ii) of the resolution. The details of the recurrent related party transactions are set out in the Circular to the Shareholders dated 28 April 2017, which is dispatched together with this Annual Report.
- Proposed New Shareholders' Mandate**
The Ordinary Resolutions 11 and 12 proposed, if passed, will empower the Directors from the date of the Thirteenth Annual General Meeting, to deal with the related party transactions involving recurrent transactions of a revenue or trading nature which are necessary for the Company's day-to-day operations. These recurrent related party transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and not to the detriment of the minority shareholders. This authority unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company and subject always to provision (ii) of the resolution. The details of the recurrent related party transactions are set out in the Circular to the Shareholders dated 28 April 2017, which is dispatched together with this Annual Report.
- Proposed Renewal of Authority under Section 76 of the Companies Act 2016 for the Directors to allot and issue shares**
The Company had, during its Twelfth Annual General Meeting held on 31 May 2016, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to the Section 132D of the Companies Act, 1965. As at the date of this notice, the Company did not issue any shares pursuant to this mandate obtained.
Ordinary Resolution 13 proposed under item 12 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 76 of the Act. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 10% of the total number of issued shares (excluding treasury shares, if any) of the Company for such purposes as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.
The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purposes of funding investment project(s), working capital and/or acquisition.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.