

## **Kawan Food Bhd. takes up a 32.5% stake in the rising Malaysian fast-food brand- Kejap Food**



Malaysia's leading convenience food manufacturer - Kawan Food Bhd, has taken a 32.5% stake in the young Malaysian startup company Kejap Food, supporting the young startup on their nationwide expansion plan and developing another strategic alliance at the F&B segment.

Kawan Food Berhad is one of Malaysia's leading exporters and largest manufacturer specializing in ethnic food delicacies in the frozen food industry. With its historic early journey dating back in the 1960s, Kawan Food has more than 40 years of experience in the creation and distribution of sustainable food products that resonate with consumers' love for good food and convenience.

Kawan Food takes great pride in its distinguished products- paratha, chapatti, spring roll pastry and their Ready-To-Eat ("RTE") meal products. While Malaysia, geographically has remained its largest market over the years, Kawan Food's global presence is proven viable with its global reach of over 37 countries worldwide and increasing.



(Range of products from Kawan Food)

To fulfill the demand of domestic and global markets, Kawan Food operates in its state-of-the-art manufacturing facility located in Pulau Indah, Malaysia where it is equipped with cutting-edge technology such as the Automated Storage Retrieval System (“ASRS”) and facility wide photovoltaic roofing to embrace Industry 4.0 and environmental sustainability. Meanwhile, the manufacturing capability of Kawan Food is also backed by another facility located in Nantong, China to support its global distribution.



(Kawan Food manufacturing facility in Pulau Indah)

As an ever-evolving company, Kawan Food constantly seeks opportunities to expand its chosen categories, widen its distribution channels and diversify its business ventures. And Kejap Food- a young F&B startup has caught their attention.

In October 2020, Kejap Food opened its first outlet at Caltex Setiawangsa amidst the outbreak of the Covid-19 pandemic. Within a year, they have managed to strive and successfully raised funds through an equity crowdfunding platform - Mystertr, and to open up their second outlet at Petron Miles 3 Federal Highway, Shah Alam.

Kejap Food is the first drive-thru that serves local delights and meals, setting to break into the drive-thru segment where western fast-food brands usually dominate. They offer a range of local staple foods like Nasi lemak, Roti Bakar, Karipap, lekor, satay, to fresh brew local “Kopi and Teh tarik” and more.





Kejap Food takes pride in their signature homemade “Sambal Pedas”, which are complemented with aromatic fried chicken that is served with either fragrant rice or kebab wrap. For dessert, they have the nostalgic “Roti Aiskrim” (local Ice-cream sandwich) and adding a twist to local drinks like Teh Tarik float and Kopi float.

In addition, the startup also took the approach of adaptive reuse by converting existing car wash structures and upcycling a 40ft cargo container into their drive-thru outlets to be in line with their sustainability effort and create minimal disruptions towards the petrol station's fueling operation.



(Kejap Food at Caltex Setiawangsa, repurpose of existing car wash structure)



(Kejap Food at Petron Mile 3 Federal Highway, repurpose of 40ft cargo container)





(Opening day at Petron Mile 3 Federal Highway in Shah Alam, 10.10.2021)

Kejap Food is set to expand its operation into five more outlets in Klang Valley this year. It includes four drive-thru outlets, one central kitchen and one all-new concept dine-in outlet. The team is also working on its expansion plan to other states in 2023.

Trusting in Kejap Food's long-term prospect is a key catalyst in the decision-making process for such investment by Kawan Food. Both parties are confident that such a move by Kawan Food would drive synergy favorable to both.

Meanwhile, in consideration of such an investment, Kawan Food acquired a 32.50% equity stake in Kejap Food, making it the second-largest shareholder in the startup.