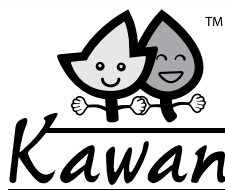


THIS CIRCULAR/STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused the contents of this Circular/Statement prior to its issuance as it is an exempt document pursuant to Paragraph 2.1 of Practice Note 18 of the Listing Requirements of the Main Market of Bursa Securities.

Bursa Securities takes no responsibility for the contents of this Circular/Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular/Statement.



KAWAN FOOD BERHAD

Registration No. 200401001942 (640445-V)
(Incorporated in Malaysia)

PART A

**CIRCULAR TO SHAREHOLDERS
in relation to**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE
FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

PART B

**STATEMENT TO SHAREHOLDERS
in relation to**

**PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS
OWN ORDINARY SHARES**

PART C

**CIRCULAR TO SHAREHOLDERS
in relation to**

PROPOSED AMENDMENTS TO THE CONSTITUTION

The above proposals will be tabled as Special Business at the Eighteenth ("18th") Annual General Meeting ("AGM") of Kawan Food Berhad ("the Company"). In view of the COVID-19 outbreak and as part of the safety measures, the 18th AGM will be conducted on a fully virtual basis via online meeting platform at <https://tjih.online> provided by the Special Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. on Thursday, 9 June 2022 at 10.30 a.m. or any adjournment thereof. The Notice of the 18th AGM of the Company together with the Proxy Form are set out in the Annual Report 2021 of the Company and this Circular/Statement can be downloaded from the Company's website at <https://kawanfood.com/index.php/our-company/investor-relations/> or Bursa Securities's website at https://www.bursamalaysia.com/market_information/announcements/company_announcement. For further information, please refer to the Notice of the 18th AGM and Administrative Details on 18th AGM.

If you are unable to attend and vote at the AGM, please complete and return the Proxy Form in accordance with the instruction therein as soon as possible and should reach the Company's Special Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on or before the date and time indicated below or any adjournment thereof. You also have the option to lodge the proxy appointment electronically via TIH online at <https://tjih.online> before the Proxy Form lodgement cut-off time stated below.

Last date and time for lodging of Form of Proxy	:	Tuesday, 7 June 2022 at 10.30 a.m.
Date and time of the 18 th AGM	:	Thursday, 9 June 2022 at 10.30 a.m.

This Circular/Statement is dated 29 April 2022

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular/Statement:-

“Act”	:	Companies Act, 2016, as amended from time to time and any re-enactment thereof
“AGM”	:	Annual General Meeting
“Audit Committee”	:	Audit Committee of KAWAN FOOD BERHAD
“Board”	:	Board of Directors of KAWAN FOOD BERHAD
“Bursa Securities”	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
“CCM”	:	The Companies Commission of Malaysia
“CMSA”	:	Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
“Constitution”	:	Constitution of KAWAN FOOD BERHAD, as amended from time to time
“Code”	:	Malaysian Code on Take-Overs and Mergers, 2016 as amended from time to time
“Director”	:	Shall have the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director of the listed issuer or any other company which is its subsidiary or holding company or a chief executive officer of the listed issuer, its subsidiary or holding company
“EPS”	:	Earnings per share
“Hot & Roll”	:	Hot & Roll Sdn. Bhd.
“Kawan” or “the Company”	:	Kawan Food Berhad
“Kawan Group” or “the Group”	:	Kawan and its subsidiaries
“Kawan Share(s)” or “Share(s)”	:	Ordinary Share(s) in Kawan
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities, including any amendments thereto that may be made from time to time
“LPD”	:	31 March 2022, being the latest practicable date prior to the printing and dispatch of this Circular/Statement

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“Major Shareholder”	: Includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a person who has an interest or interests in one or more voting shares in the Company (or any other company which is its subsidiary or holding company) and the number or aggregate number of those shares is: (a) 10% or more of the total number of voting shares in the company; or (b) 5% or more of the total number of voting shares in the company where such person is the largest shareholder of the company. For the purpose of this definition, “interest in shares” shall have the meaning given in Section 8 of the Act.
“Maybank”	: Maybank Securities Nominees (Asing) Sdn. Bhd. Exempt AN for VG Trustee Limited (Narvee F’dation)
“MH Delight”	: MH Delight Sdn. Bhd.
“NA”	: Net assets
“Nagrecha”	: Nareshchandra Gordhandas Nagrecha
“Narvee Foundation”	: Substantial Shareholder of Kawan, hold shares in Kawan via VG Trustee Limited (as Trustee of the Narvee Foundation)
“Period of Mandate”	: The period from the date of AGM, i.e. 9 June 2022 until the conclusion of the next AGM
“Person Connected”	: Shall have the same meaning as in Chapter 1.01 of the Listing Requirements
“Proposed Amendments of Constitution”	: Proposed Amendment of Constitution to allow the Company to leverage the use of technology to conduct general meetings and to facilitate communication and engagements with shareholders electronically
“Proposed Renewal of Share Buy-Back Authority”	: Proposed renewal of existing authority granted to the Company to purchase its own Shares of up to ten percent (10%) of the total number of issued shares of the Company in accordance with Section 127 of the Act and the Listing Requirements
“Proposed Renewal of Shareholders’ Mandate”	: The proposed renewal of the existing shareholders’ mandate for the Kawan Group to enter into Recurrent Related Party Transactions of a revenue or trading nature with Related Party or Parties in the ordinary course of business which are necessary for the Kawan Group’s day-to-day operations
“Purchased Shares”	: Shares to be purchased by Kawan pursuant to the proposed authority for share buy-back authority
“Related Party or Parties”	: A Director, major shareholder or persons connected with such Director or major shareholder as defined in Paragraph 10.02 of the Listing Requirement
“Related Party Transaction”	: A transaction entered into by Kawan or its Subsidiaries which involves the interest, direct or indirect, of a Related Party
“Recurrent Related Party Transactions or RRPT”	: Recurrent related party transaction of a revenue or trading nature which are necessary for the day-to-day operations and are in ordinary course of business of Kawan as specified in Section 2.4 of the Circular

“Registered Office”	:	The registered address of Kawan which is at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia
“RM”	:	Ringgit Malaysia
“Rubicon”	:	Rubicon Food Products Limited
“Share Registrar”	:	The Share Registrar of Kawan, Boardroom Share Registrars Sdn. Bhd. which is at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia
"Special Registrar"	:	The Special Registrar of Kawan, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia
“Shana”	:	Shana Foods Limited
“Subsidiary Companies”	:	Subsidiaries of Kawan
“Substantial Shareholder”	:	A person who has an interest or interests in one or more voting shares in the Company and the number or the aggregate number of such shares is not less than 5% of the total number of all the voting shares in the Company
“Treasury Shares”	:	The Purchased Shares which are or will be retained in treasury by the Company and shall have the meaning given under Section 67A of the Act.
“VG Trustee Limited”	:	VG Trustee Limited as Trustee of the Narvee Foundation

All references to “you” in this Circular/Statement are to the shareholders of the Company.

Unless specifically referred to, words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter gender, and vice versa. Reference to persons shall include corporations, unless otherwise specified.

Any reference to any legislation or guideline in this Circular/Statement is a reference to that legislation or guideline as amended or re-enacted from time to time.

Any reference to time of day in this Circular/Statement is a reference to Malaysian time, unless otherwise stated.

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PROPOSED AMENDMENTS TO THE CONSTITUTION

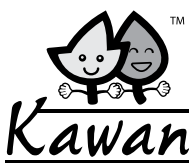
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PART A

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE



KAWAN FOOD BERHAD
Registration No. 200401001942 (640445-V)
(Incorporated in Malaysia)

Registered Office:

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

29 April 2022

Board of Directors:

Mr. Gan Thiam Chai (*Executive Chairman*)
Mdm. Kwan Sok Kay (*Executive Director*)
Mr. Gan Thiam Hock (*Executive Director*)
Ms. Gan Ka Bien (*Executive Director*)
Dr. Nik Ismail Bin Nik Daud (*Senior Independent Non-Executive Director*)
Mr. Lim Hun Soon @ David Lim (*Independent Non-Executive Director*)
Mr. Eugene Hon Kah Weng (*Independent Non-Executive Director*)
Mr. Abdul Razak Bin Shakor (*Non-Independent Non-Executive Director*)

To: The Shareholders of KAWAN FOOD BERHAD

Dear Sir/Madam,

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

1. INTRODUCTION

The Company had, at the Seventeenth AGM held on 10 June 2021, obtained a mandate from its shareholders to enter into Recurrent Related Party Transactions with Related Parties that are necessary for the day-to-day operations in the ordinary course of business carried out on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders. The said shareholders' mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of the forthcoming 18th AGM unless authority for its renewal is obtained from the shareholders of Kawan.

On 18 April 2022, the Company announced to Bursa Securities that the Board intends to seek its shareholders' approval for the Proposed Renewal of Shareholders' Mandate in accordance with Paragraph 10.09, Part E of Chapter 10 of the Listing Requirements.

The purpose of this Circular is to provide you with the relevant information on the Proposed Renewal of Shareholders' Mandate, to set out the recommendation of the Board and to seek your approval for the ordinary resolutions to be tabled at the forthcoming AGM. The notice of the AGM and the Proxy Form are included in the Annual Report of the Company for the financial year ended 31 December 2021.

2.0 DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

2.1 Provisions under the Listing Requirements

Pursuant to Paragraph 10.09(2) of the Listing Requirements, the Company may seek a shareholders' mandate in respect of RRPT which are necessary for our day-to-day operations subject to the following:

- (a) The 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;
- (b) The shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where, the Company with a share capital of RM60.0 million and above must immediately announce such RRPT where:
 - (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transactions is RM1 million or more; or
 - (ii) the percentage ratios of such Recurrent Related Party Transactions is 1% or more;whichever is the higher;
- (c) Kawan's circular to shareholders for the shareholders' mandate shall include the information as may be prescribed by Bursa Securities;
- (d) In a meeting to obtain shareholders' mandate, the Related Party with any interest, direct or indirect ("interested related party") must not vote on the resolution in respect of the related party transaction; an interested related party who is a corporation, director or major shareholder must ensure that persons connected with it abstain from voting on the resolution in respect of the related party transaction; and where the interested related party is a person connected with a corporation, a director or shareholder must not vote on the resolution in respect of the related party transaction; and
- (e) Kawan shall immediately announce to Bursa Securities when the actual value of the Recurrent Related Party Transactions entered into by the Kawan Group exceeds the estimated value of the Recurrent Related Party Transactions disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Where Kawan has procured shareholders' mandate pursuant to the above, the provision of paragraph 10.08 of the Listing Requirements shall not apply.

2.2 Principal business activities of Kawan

Kawan is principally an investment holding company whilst the principal activities of its subsidiary companies are set out in Appendix I of this Circular.

It is anticipated that the Group would, in the ordinary course of business, enter Recurrent Related Party Transactions. It is likely that such transactions will occur with some degree of frequency and could arise at any time.

2.3 Classes of Related Parties

- 2.3.1** The Proposed Renewal of Shareholders' Mandate will apply to the following classes of Related Party or Parties and their relationships are described below:

Classes of Related Parties (continued)

Name of the Related Party	Place of Incorporation	Principal Activities	Relationship of Related Parties with Kawan
Shana	United Kingdom	Importation and distribution of processed packaged foods	<p>Mr. Nagrecha</p> <ul style="list-style-type: none"> - Shareholder of Shana who owns joint direct interest with Mdm. Veena Nagrecha of 97.5% shareholdings - Substantial Shareholder of Kawan who has direct and indirect interest of 0.91% and 20.56% in Kawan, representing 3,250,000 and 73,751,200 ordinary shares (deemed interested through VG Trustee Limited (as trustee of the Narvee Foundation) which has direct interest of 20.56% in Kawan, via Maybank) of Kawan respectively - Beneficiary of the Narvee Foundation - Spouse of Mdm. Veena Nagrecha - Father of Anjalee Nagrecha and Neel Nagrecha <p><u>Person connected to Mr. Nagrecha</u></p> <p>Mdm. Veena Nagrecha</p> <ul style="list-style-type: none"> - Shareholder of Shana who owns joint direct interest with Mr. Nagrecha of 97.5% shareholdings - Deemed interested in Kawan through VG Trustee Limited (as trustee of the Narvee Foundation) which has direct interest of 20.56% in Kawan, representing 73,751,200 ordinary shares of Kawan, via Maybank - Beneficiary of the Narvee Foundation - Spouse of Mr. Nagrecha - Mother of Anjalee Nagrecha and Neel Nagrecha <p>Anjalee Nagrecha and Neel Nagrecha</p> <ul style="list-style-type: none"> - Directors of Shana - Children of Mr. Nagrecha and Mdm. Veena Nagrecha <p>Mr. Abdul Razak Bin Shakor</p> <ul style="list-style-type: none"> - Deemed interested by virtue of him being an associate of Mr. Nagrecha who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of Mr. Nagrecha and Mdm. Veena Nagrecha

Classes of Related Parties (continued)

Name of the Related Party	Place of Incorporation	Principal Activities	Relationship of Related Parties with Kawan
Rubicon	Canada	Manufacture and distribution of soft drinks and importation and distribution of processed packaged foods	<p>Mr. Nagrecha</p> <ul style="list-style-type: none"> - Shareholder of Rubicon who owns 50% direct interest in Rubicon representing 50 common shares and 80,000 preference shares of Rubicon - Substantial Shareholder of Kawan who has direct and indirect interest of 0.91% and 20.56% in Kawan, representing 3,250,000 and 73,751,200 ordinary shares (deemed interested through VG Trustee Limited (as trustee of the Narvee Foundation) which has direct interest of 20.56% in Kawan, representing 73,751,200 ordinary shares of Kawan, via Maybank) of Kawan respectively - Spouse of Mdm. Veena Nagrecha - Beneficiary of the Narvee Foundation - Father of Anjalee Nagrecha and Neel Nagrecha <p><u>Person connected to Mr. Nagrecha</u></p> <p>Mdm. Veena Nagrecha</p> <ul style="list-style-type: none"> - Shareholder of Rubicon who owns 50% direct interest in Rubicon representing 50 common shares and 80,000 preference shares of Rubicon - Deemed interested in Kawan through VG Trustee Limited (as trustee of the Narvee Foundation) which has direct interest of 20.56% in Kawan, representing 73,751,200 ordinary shares of Kawan, via Maybank - Spouse of Mr. Nagrecha - Beneficiary of the Narvee Foundation - Mother of Anjalee Nagrecha and Neel Nagrecha <p>Anjalee Nagrecha and Neel Nagrecha</p> <ul style="list-style-type: none"> - Directors of Rubicon - Children of Mr. Nagrecha and Mdm. Veena Nagrecha <p>Mr. Abdul Razak Bin Shakor</p> <ul style="list-style-type: none"> - Deemed interested by virtue of him being an associate of Mr. Nagrecha who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of Mr. Nagrecha and Mdm. Veena Nagrecha

Classes of Related Parties (continued)

Name of the Related Party	Place of Incorporation	Principal Activities	Relationship of Related Parties with Kawan
Hot & Roll	Malaysia	Retail of snack food	<p>Ms. Gan Ka Bien</p> <ul style="list-style-type: none"> - Director of Hot & Roll - Director and Shareholder of Hot & Roll Holdings Sdn. Bhd., being the sole shareholder of Hot & Roll, who owns 35% direct interest in Hot & Roll Holdings Sdn. Bhd., representing 175,000 ordinary shares of Hot & Roll Holdings Sdn. Bhd. - Director and Shareholder of Kawan who has direct interest of 1.12% in Kawan, representing 4,013,849 ordinary shares of Kawan - Daughter of Mr. Gan Thiam Chai and Mdm. Kwan Sok Kay - Siblings of Ms. Gan Ka Hui and Ms. Gan Ka Ooi <p><u>Persons connected to Ms. Gan Ka Bien</u></p> <p>Mr. Gan Thiam Chai</p> <ul style="list-style-type: none"> - Director and Substantial Shareholder of Kawan who has direct and indirect interest of 25.15% and 2.99% in Kawan, representing 90,208,948 and 10,711,600 ordinary shares of Kawan respectively - Spouse of Mdm. Kwan Sok Kay - Father of Ms. Gan Ka Bien, Ms. Gan Ka Hui and Ms. Gan Ka Ooi <p>Mdm. Kwan Sok Kay</p> <ul style="list-style-type: none"> - Director and Substantial Shareholder of Kawan who has direct and indirect interest of 5.50% and 2.99% in Kawan, representing 19,724,405 and 10,711,600 ordinary shares of Kawan respectively - Spouse of Mr. Gan Thiam Chai - Mother of Ms. Gan Ka Bien, Ms. Gan Ka Hui and Ms. Gan Ka Ooi <p>Ms. Gan Ka Hui</p> <ul style="list-style-type: none"> - Shareholder of Kawan who has direct interest of 1.31% in Kawan, representing 4,700,300 ordinary shares of Kawan - Daughter of Mr. Gan Thiam Chai and Mdm. Kwan Sok Kay - Siblings of Ms. Gan Ka Bien and Ms. Gan Ka Ooi <p>Ms. Gan Ka Ooi</p> <ul style="list-style-type: none"> - Shareholder of Kawan who has direct interest of 1.68% in Kawan, representing 6,011,300 ordinary shares of Kawan - Daughter of Mr. Gan Thiam Chai and Mdm. Kwan Sok Kay - Siblings of Ms. Gan Ka Bien and Ms. Gan Ka Hui

Classes of Related Parties (continued)

Name of the Related Party	Place of Incorporation	Principal Activities	Relationship of Related Parties with Kawan
MH Delight	Malaysia	Manufacturing & Trading Company	<p>Mdm. Lam Saw Kuan</p> <ul style="list-style-type: none"> - Director and owned 25% direct interest in MH Delight representing 25,000 ordinary shares of MH Delight - Shareholder of Kawan who has direct interest of 0.34% in Kawan, representing 1,230,000 ordinary shares of Kawan - Spouse of Mr. Gan Thiam Hock - Mother of Mr. Gan Meng Hoi, Mr. Gan Meng Hoo, Mr. Gan Meng Yeow and Ms. Gan Kha Yee - Sister of Mdm. Lam Sau Fan <p>Mr. Gan Meng Hoo</p> <ul style="list-style-type: none"> - Director and owned 25% direct interest in MH Delight representing 25,000 ordinary shares of MH Delight - Shareholder of Kawan who has direct interest of 0.10% in Kawan, representing 344,300 ordinary shares of Kawan - Son of Mr. Gan Thiam Hock and Mdm. Lam Saw Kuan - Siblings of Mr. Gan Meng Hoi, Mr. Gan Meng Yeow and Ms. Gan Kha Yee <p>Mr. Gan Meng Hoi</p> <ul style="list-style-type: none"> - Director and owned 25% direct interest in MH Delight representing 25,000 ordinary shares of MH Delight - Shareholder of Kawan who has direct interest of 0.12% in Kawan, representing 444,000 ordinary shares of Kawan - Son of Mr. Gan Thiam Hock and Mdm. Lam Saw Kuan - Siblings of Mr. Gan Meng Hoo, Mr. Gan Meng Yeow and Ms. Gan Kha Yee

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Classes of Related Parties (continued)

Name of the Related Party	Place of Incorporation	Principal Activities	Relationship of Related Parties with Kawan
MH Delight	Malaysia	Manufacturing & Trading Company	<p>Mdm. Lam Sau Fan</p> <ul style="list-style-type: none"> - Director and owned 25% direct interest in MH Delight representing 25,000 ordinary shares of MH Delight - Shareholder of Kawan who has direct interest of 0.10% in Kawan, representing 347,366 ordinary shares of Kawan - Sister of Mdm. Lam Saw Kuan - Sister-in-law of Mr. Gan Thiam Hock <p><u>Person connected to Mdm. Lam Saw Kuan, Mr. Gan Meng Hoo, Mr. Gan Meng Hoi and Mdm. Lam Sau Fan</u></p> <p>Mr. Gan Thiam Hock</p> <ul style="list-style-type: none"> - Director and Substantial Shareholder of Kawan who has direct and indirect interest of 6.26% and 0.75% in Kawan, representing 22,462,133 and 2,706,300 ordinary shares of Kawan respectively - Spouse of Mdm. Lam Saw Kuan - Father of Mr. Gan Meng Hoi, Mr. Gan Meng Hoo, Mr. Gan Meng Yeow and Ms. Gan Kha Yee - Brother-in-law of Mdm. Lam Sau Fan <p>Mr. Gan Meng Yeow</p> <ul style="list-style-type: none"> - Shareholder of Kawan who has direct interest of 0.10% in Kawan, representing 344,000 ordinary shares of Kawan - Son of Mr. Gan Thiam Hock and Mdm. Lam Saw Kuan - Siblings of Mr. Gan Meng Hoi, Mr. Gan Meng Hoo and Ms. Gan Kha Yee <p>Ms. Gan Kha Yee</p> <ul style="list-style-type: none"> - Shareholder of Kawan who has direct interest of 0.10% in Kawan, representing 344,000 ordinary shares of Kawan - Daughter of Mr. Gan Thiam Hock and Mdm. Lam Saw Kuan - Siblings of Mr. Gan Meng Hoi, Mr. Gan Meng Hoo and Mr. Gan Meng Yeow

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2.4 Nature of Recurrent Related Party Transactions contemplated

Details of the Recurrent Related Party Transactions of a revenue or trading nature, which will be covered by the Proposed Renewal of Shareholders' Mandate in relation to the provision of, or obtaining from, the Related Party or Parties, products and services in the normal course of business of the Group, are as follows:

Proposed Renewal of Shareholders' Mandate

Transacting parties within the Kawan Group	Related Parties	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated value ⁽¹⁾ of transaction from the date of the forthcoming Eighteenth AGM to the date of the Nineteenth AGM (RM)	Actual value transacted from 10 June 2021 to 31 March 2022 (RM)	Estimated value of transaction as disclosed in the preceding year's Circular to shareholders dated 30 April 2021 (RM)
Kawan Group	Shana	Purchase of frozen food products from Kawan Group	Mr. Nagrecha Mdm. Veena Nagrecha Anjalee Nagrecha Neel Nagrecha	25,000,000	11,538,412	25,000,000
Kawan Group	Rubicon	Purchase of frozen food products from Kawan Group	Mr. Nagrecha Mdm. Veena Nagrecha Anjalee Nagrecha Neel Nagrecha	15,000,000	5,422,408	15,000,000
Kawan Group	Hot & Roll	Purchase of frozen food products from Kawan Group	Mr. Gan Thiam Chai Mdm. Kwan Sok Kay Ms. Gan Ka Bien Ms. Gan Ka Hui Ms. Gan Ka Ooi	4,000,000	1,065,431	4,000,000

Proposed Renewal of Shareholders' Mandate (continued)

Transacting parties within the Kawan Group	Related Parties	Nature of Transaction	Interested Directors, Major Shareholders and Persons Connected	Estimated value ⁽¹⁾ of transaction from the date of the forthcoming Eighteenth AGM to the date of the Nineteenth AGM (RM)	Actual value transacted from 10 June 2021 to 31 March 2022 (RM)	Estimated value of transaction as disclosed in the preceding year's Circular to shareholders dated 31 April 2021 (RM)
Kawan Group	MH Delight	Sales of frozen food products to Kawan Group	Mr. Gan Thiam Hock Mr. Gan Meng Hoo Mr. Gan Meng Hoi Mr. Gan Meng Yeow Ms. Gan Kha Yee Mdm. Lam Saw Kuan Mdm. Lam Sau Fan	1,000,000	26,770	1,000,000
Kawan Group	MH Delight	Purchase of frozen food products from Kawan Group	Mr. Gan Thiam Hock Mr. Gan Meng Hoo Mr. Gan Meng Hoi Mr. Gan Meng Yeow Ms. Gan Kha Yee Mdm. Lam Saw Kuan Mdm. Lam Sau Fan	3,000,000	953,721	3,000,000

Note:

- (1) The estimated value of the transactions is based on Management's estimate of the annual amount of the transaction according to prevailing, reasonable and market competitive prices obtained from the Related Party or Parties. Due to the nature of the transactions, the actual value of transactions may vary from the estimated value as disclosed above. Disclosure will be made in the 2022 Annual Report of the Company of the actual breakdown of the aggregate value of transactions conducted pursuant to the Proposed Renewal of Shareholders' Mandate during the financial year ending 31 December 2022.
- (2) None of the actual value of the Recurrent Transactions has exceeded the estimated value by 10% or more.

2.5 Amount due and owing by Related Parties

As at 31 December 2021, the amount due and owing by related parties which have exceeded the credit term are as follows:

	Trade Receivables from Related Parties as at 31 December 2021
Exceeded Credit Term for:	(RM)
a period of 1 year or less	1,803,828.00
a period of more than 1 to 3 years	-
a period of more than 3 to 5 years	-
a period of more than 5 years	-

As at 31 March 2022, the remaining outstanding trade receivables were RM777,188.00. There are no late payment charges or interest imposed on the above overdue trade receivables as the overdue amounts are recoverable in subsequent month. The Board is of the view that the outstanding are collectable and the management has been instructed to monitor and follow up to ensure all the outstanding receivables are collected.

2.6 Guidelines and review procedures for Recurrent Related Party Transactions

To ensure that Recurrent Related Party Transactions which are in the ordinary course of business are conducted at arm's length and based on normal commercial terms which are not more favourable to the Related Party or Parties than those generally available to the public and are not detrimental to the minority shareholders, the Recurrent Related Party Transactions shall be determined based on prevailing rates or prices of the goods (including where applicable, preferential rates or discounts accorded to a class or classes of customers) according to their usual commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms or considerations.

To monitor the Recurrent Related Party Transactions, the following review procedures are implemented:-

- (a) The transactions with the Related Party or Parties will only be entered into after taking into account the pricing, quality of product and other related factors, which are generally on terms not more favourable to the Related Party or Parties than those extended to unrelated third parties and are not to the detriment of the minority shareholders;
- (b) The pricing and quality of products shall be at the prevailing market rates/prices of the product including where appropriate preferential rates and discounts accorded for bulk purchases (the same as are accorded to third party bulk purchase) and on product provider's usual commercial terms, and otherwise in accordance with applicable industry norm;
- (c) The terms and conditions on purchases and sales are determined by market force, under similar commercial terms for transaction with third parties which depend on the demand and supply of the products and subject to the availability of the products in the market;
- (d) The cost plus method will be used where appropriate in the determination of fair price or contract rates. This method determines the arm's length price or rate by adding an appropriate mark-up to the cost of production;
- (e) At least two (2) other contemporaneous transactions with unrelated third parties for similar products and/or quantities will be used as comparison, wherever possible, to determine whether

the price and terms offered to/by the Related Party or Parties are fair and reasonable and comparable to those offered to/by other unrelated third parties for the same or substantially similar type of products and/or quantities. In the event that quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, if there are no unrelated third party vendors/customers of similar products, or if the product is a propriety item), the transaction price will be determined by the Kawan Group based on similar costing method of pricing used for other products and/or quantities to ensure that the Recurrent Related Party Transaction is not detrimental to the Kawan Group; and

- (f) All Recurrent Related Party Transactions shall be reviewed at the meetings of Audit Committee. In the review of such transactions, the Audit Committee may, as they deem fit, request for additional information pertaining to the transactions from independent sources or advisers.

There are no specific thresholds for the approval of Recurrent Related Party Transactions. All the Recurrent Related Party Transactions within the Kawan Group are reviewed by Audit Committee and authorised by Board of Directors, provided always that the interest directors are abstained from deliberating and voting on the said resolution.

The Audit Committee has reviewed the guidelines and procedures mentioned above and are satisfied that the guidelines and procedures are sufficient to ensure that the Recurrent Related Party Transactions are:-

- undertaken in the ordinary course of business;
- carried out at arm's length and based on normal commercial terms consistent with the Group's usual business practices and policies;
- on terms not more favourable to the Related Party or Parties than those generally available to the public; and
- not detrimental to the minority shareholders of the Company.

In addition, the Internal Auditors had also reviewed and recommended the following guidelines and procedures to enhance the monitoring, tracking and identification of Recurrent Related Party Transactions:-

- (a) All Directors of the Company, major shareholders and persons connected with them are required to complete and acknowledge on the Related Party Disclosure Form on a periodic basis. A checklist will be used to monitor the completeness of Directors' and major shareholders' disclosure;
- (b) All transactions with related parties are communicated to the Finance Department on a timely basis. The Company Secretary shall furnish a list of all related parties to the Audit Committee on a quarterly or at a shorter interval basis for review. Correspondingly, the Finance Department will update the Company Secretary should they be aware of any related parties which are not reflected in the list. This would enable the Finance Department and the Company Secretary to register and identify Recurrent Related Party Transactions in a timely and orderly manner. The Finance Department shall be responsible for closely monitoring the transaction amounts with related parties;
- (c) The Finance Department will have a monitoring spreadsheet schedule and update the Recurrent Related Party Transactions on a monthly basis in order to detect promptly when the Recurrent Related Party Transactions estimates have been breached; and
- (d) Management has formalised policies and procedures relating to related parties transactions in order to facilitate clear communication of policies and procedures to staff, promote the application of policies and procedures on an uniform basis across the Company and support the control and monitoring of policies effectiveness in identifying and reporting Recurrent Related Party Transactions.

2.7 Statement by Audit Committee

The overall responsibility of determining whether the procedures for reviewing all Recurrent Related Party Transactions are appropriate, rest with the Audit Committee. The Audit Committee shall review the internal audit reports to ascertain whether the guidelines and procedures established to monitor Recurrent Related Party Transactions have been complied with.

The Audit Committee of Kawan has seen and reviewed the procedures as mentioned in paragraph 2.6 above and is satisfied that the procedures are sufficient to ensure that the Recurrent Transactions are undertaken on terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of Kawan. The Kawan Group has in place adequate procedures and processes to monitor, track and identify Recurrent Related Party Transactions in a timely and orderly manner. The Audit Committee of Kawan Group conducts the review of these procedures and processes on a quarterly basis with the assistance of the Internal Auditors.

2.8 Validity period for the Proposed Renewal of Shareholders' Mandate

The Proposed Renewal of Shareholders' Mandate shall only continue to be in force until:-

- (a) the conclusion of the next AGM of the Company following the forthcoming AGM at which such Proposed Renewal of Shareholders' Mandate would be passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier.

If the Audit Committee of the Company is satisfied with the continuous application of the Shareholders' Mandate to the Recurrent Related Party Transactions detailed in Sections 2.3 and 2.4 of this Circular, approval from the shareholders will be sought to renew the Shareholders' Mandate at each subsequent AGM thereafter.

2.9 Disclosure

Disclosure will be made in Kawan's Annual Report 2021 of the breakdown of the aggregate value of transactions conducted, types of transactions made, names of the Related Party or Parties involved in each type of the Recurrent Related Party Transactions and their relationship with Kawan pursuant to the Proposed Renewal of Shareholders' Mandate during the financial year, and in the Annual Report for the subsequent financial year that the Proposed Renewal of Shareholders' Mandate continues to be in force.

3. RATIONALE AND BENEFITS TRANSACTING WITH THE RELATED PARTY OR PARTIES

The rationale for the Proposed Renewal of Shareholders' Mandate and the benefits of the Kawan Group transacting with the Related Party or Parties are as follows:

- (a) To facilitate transactions of a revenue or trading nature with the Related Party or Parties which form part of the day-to-day operations of the Kawan Group in the ordinary course of business, undertaken at arm's length, on normal commercial terms and are not detrimental to the minority shareholders;
- (b) To avoid the impracticality of seeking shareholders' approval on a case by case basis before entering into business opportunities or Recurrent Related Party Transactions which are time-sensitive and/or confidential in nature, the Proposed Renewal of Shareholders' Mandate will enhance the Kawan Group's ability to pursue Recurrent Related Party Transactions without having to place the Group at a disadvantage as compared with its competitors who may not be required to obtain shareholders' approval; and

- (c) The Proposed Renewal of Shareholders' Mandate will eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when such Recurrent Related Party Transactions occur and thus will reduce substantially administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the Group's corporate objectives.

4. CONDITIONS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

The Proposed Renewal of Shareholders' Mandate is conditional upon the approval being obtained from the shareholders of Kawan at the forthcoming 18th AGM.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

The direct and indirect interest of interested Directors, interested Major Shareholders and interested Persons Connected to the Directors and Major Shareholders of the Kawan Group as at 31 March 2022 are as follows:

	No. of ordinary shares			
	Direct	% ⁽¹⁾	Indirect	% ⁽¹⁾
<u>Interested Major Shareholders</u>				
Mr. Gan Thiam Chai	90,208,948	25.15	10,711,600 ⁽²⁾	2.99
Mdm. Kwan Sok Kay	19,724,405	5.50	10,711,600 ⁽²⁾	2.99
Mr. Gan Thiam Hock	22,462,133	6.26	2,706,300 ⁽³⁾	0.75
VG Trustee Limited (as Trustee of the Narvee Foundation)	73,751,200	20.56	-	-
Mr. Nagrecha	3,250,000	0.91	73,751,200 ⁽⁴⁾	20.56
<u>Interested Directors</u>				
Mr. Gan Thiam Chai	90,208,948	25.15	10,711,600 ⁽²⁾	2.99
Mdm. Kwan Sok Kay	19,724,405	5.50	10,711,600 ⁽²⁾	2.99
Mr. Gan Thiam Hock	22,462,133	6.26	2,706,300 ⁽³⁾	0.75
Ms. Gan Ka Bien	4,013,849	1.12	-	-
<u>Interested Persons Connected to the Directors and Major Shareholders of Kawan</u>				
Ms. Gan Ka Hui	4,700,300	1.31	-	-
Ms. Gan Ka Ooi	6,011,300	1.68	-	-
Mr. Gan Meng Hoo	344,300	0.10	-	-
Mr. Gan Meng Hoi	444,000	0.12	-	-
Mr. Gan Meng Yeow	344,000	0.10	-	-
Ms. Gan Kha Yee	344,000	0.10	-	-

**Interested Persons Connected to the Directors
and Major Shareholders of Kawan (continued)**

	No. of ordinary shares			
	Direct	% ⁽¹⁾	Indirect	% ⁽¹⁾
Mdm. Lam Saw Kuan	1,230,000	0.34	-	-
Mdm. Lam Sau Fan	347,366	0.10	-	-
Mdm. Veena Nagrecha	-	-	-	-
Anjalee Nagrecha	-	-	-	-
Neel Nagrecha	-	-	-	-

Note:

- (1) Based on the total number of issued shares of 358,637,660 Kawan Shares (excluding 882,100 Treasury Shares).
- (2) Deemed interested in the shares by virtue of Section 59 of the Act, held through his/her children, namely Gan Ka Hui and Gan Ka Ooi who holds 4,700,300 and 6,011,300 ordinary shares respectively, representing a total of 2.99% in the shareholdings of the Company.
- (3) Deemed interested in the shares by virtue of Section 59 of the Act, held through his children, namely Gan Meng Hoi, Gan Meng Yeow, Gan Meng Hoo and Gan Kha Yee who holds 444,000, 344,000, 344,300 and 344,000 ordinary shares respectively and his spouse, Lam Saw Kuan who holds 1,230,000 ordinary shares representing a total of 0.75% in the shareholdings of the Company.
- (4) Deemed interested pursuant to Section 8 of the Act by virtue of his substantial shareholdings in Narvee Foundation.

The interested Directors, namely, Mr. Gan Thiam Chai, Mdm. Kwan Sok Kay, Mr. Gan Thiam Hock and Ms. Gan Ka Bien have abstained and will continue to abstain from deliberation and voting at Board Meetings of Kawan relating to recurrent related party transactions on the Proposed Renewal of Shareholders' Mandate concerning them and shall abstain from voting in respect of their direct and indirect shareholdings in the Company at the forthcoming 18th AGM approving the respective resolutions on the Proposed Renewal of Shareholders' Mandate.

The interested Directors have undertaken that they shall ensure that persons connected to them namely Ms. Gan Ka Hui, Ms. Gan Ka Ooi, Mr. Gan Meng Hoo, Mr. Gan Meng Hoi, Mr. Gan Meng Yeow, Ms. Gan Kha Yee, Mdm. Lam Saw Kuan, Mdm. Lam Sau Fan, Mdm. Veena Nagrecha, Anjalee Nagrecha and Neel Nagrecha will abstain from voting at the 18th AGM in respect of their direct and indirect interest on the same.

The interested Major Shareholders, namely, Mr. Gan Thiam Chai, Mr. Gan Thiam Hock, Mdm. Kwan Sok Kay and Mr. Nagrecha (direct interest and deemed interested by virtue of his substantial shareholdings in Narvee Foundation) will abstain from voting on the Proposed Renewal of Shareholders' Mandate in respect of their direct and indirect shareholdings in the Company at the forthcoming 18th AGM approving the respective resolutions on the Proposed Renewal of Shareholders' Mandate.

The interested Major Shareholders have undertaken to ensure that persons connected to them namely Ms. Gan Ka Bien, Ms. Gan Ka Hui, Ms. Gan Ka Ooi, Mr. Gan Meng Hoo, Mr. Gan Meng Hoi, Mr. Gan Meng Yeow, Ms. Gan Kha Yee, Mdm. Lam Saw Kuan, Mdm. Lam Sau Fan, Mdm. Veena Nagrecha, Anjalee Nagrecha and Neel Nagrecha will abstain from voting at the 18th AGM on the respective resolutions on the Proposed Renewal of Shareholders' Mandate.

Save as disclosed above, none of the other Directors and/or Major Shareholders and persons connected to them, as defined in the Listing Requirements, have any interest direct or indirect in the Proposed Renewal of Shareholders' Mandate.

6. RECOMMENDATION BY DIRECTORS

The Board, save for Mr. Gan Thiam Chai, Mdm. Kwan Sok Kay, Mr. Gan Thiam Hock and Ms. Gan Ka Bien who shall abstain from voting on the resolutions pertaining to the Proposed Renewal of Shareholders' Mandate at the forthcoming 18th AGM, having considered all aspects of the Proposed Renewal of Shareholders' Mandate, is of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of the Kawan Group and its shareholders. Accordingly, save for Mr. Gan Thiam Chai, Mdm. Kwan Sok Kay, Mr. Gan Thiam Hock and Ms. Gan Ka Bien, your Directors recommend that you vote in favour of the ordinary resolutions for the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming 18th AGM.

7. AGM

The ordinary resolution to approve the Proposed Renewal of Shareholders' Mandate is set out as Special Business in the notice of the 18th AGM, which is enclosed in the Annual Report for the financial year ended 31 December 2021. The AGM will be conducted fully virtual using the Remote Participation and Voting Facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its TIIH Online website at <https://tiih.online> on Thursday, 9 June 2022 at 10.30 a.m. or any adjournment thereof. The Notice of the 18th AGM of the Company together with the Proxy Form are set out in the Annual Report 2021 of the Company and this Circular can be downloaded from the Company's website at <https://kawanfood.com/index.php/our-company/investor-relations/> or Bursa Securities's website at https://www.bursamalaysia.com/market_information/announcements/company_announcement. For further information, please refer to the Notice of the 18th AGM and Administrative Details on 18th AGM.

If you are unable to attend and vote at the AGM, please complete and return the Proxy Form in accordance with the instruction therein as soon as possible and should reach the Company's Special Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on or before the date and time indicated below or any adjournment thereof. You also have the option to lodge the proxy appointment electronically via TIIH online at <https://tiih.online> before the Proxy Form lodgement cut-off time stated on the cover of this Circular.

8. FURTHER INFORMATION

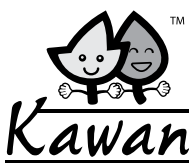
Shareholders are requested to refer to the attached Appendix II in this Circular for further information.

Yours faithfully
For and on behalf of the Board of Directors
KAWAN FOOD BERHAD

LIM HUN SOON @ DAVID LIM
Independent Non-Executive Director

PART B

**PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS
OWN ORDINARY SHARES**



KAWAN FOOD BERHAD
Registration No. 200401001942 (640445-V)
(Incorporated in Malaysia)

SHARE BUY-BACK STATEMENT

1. INTRODUCTION

The shareholders of Kawan had at the Seventeenth AGM of the Company held on 10 June 2021, granted approval for the Directors to purchase its own shares of up to 10% of the total number of issued shares of the Company. The said mandate shall in accordance with the Listing Requirements of Bursa Securities, lapse at the conclusion of the forthcoming AGM unless a fresh mandate is obtained from shareholders.

The Board had on 18 April 2022 made the announcement to Bursa Securities that the Company proposes to seek its shareholders' approval for the Proposed Renewal of Share Buy-Back Authority for the Company to purchase its own ordinary shares.

The aforesaid proposal if approved by the shareholders would become valid immediately upon the passing of the ordinary resolution at the forthcoming AGM and will expire at the conclusion of the next AGM of the Company unless the authority is further renewed by ordinary resolution passed at a general meeting (either unconditionally or subject to conditions) or upon the expiration of the period within which the next AGM is required by law to be held, or if earlier revoked or varied by ordinary resolution of the shareholders of the company in a general meeting, whichever occurs first.

2. DETAILS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

2.1 General

The Board proposes to seek a renewal of the authority from its shareholders to purchase up to ten per centum (10%) of the total number of issued shares of the Company, through its appointed stockbroker on the market of Bursa Securities. There were no purchase, resale, cancellation or distribution as share dividend to shareholders in the previous 12 months preceding the date of this Statements.

As at LPD, the total number of issued shares of the Company was 359,519,760 Kawan Shares (including of 882,100 Treasury Shares). Hence, the maximum number of Kawan Shares which may be purchased and/or held as Treasury Shares by the Company is 35,069,876 Kawan Shares, excluding the 882,100 Kawan Shares already purchased and held as Treasury Shares.

In accordance with Paragraph 12.26 of the Listing Requirements, the Company may purchase its own shares in odd lots i.e. any number of its own shares which is less than the number of shares prescribed by Bursa Securities as a board lot through a Direct Business Transaction or in any other manner as may be approved by Bursa Securities in accordance with such requirements as may be prescribed or imposed by Bursa Securities.

The Proposed Renewal of Share Buy-Back Authority, once approved by the shareholders, will be effective immediately upon the passing of the ordinary resolution and shall be effective until:

- i. the conclusion of the next AGM of the Company (at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions);
- ii. upon the expiration of the period within which the next AGM is required by law to be held, or

- iii. unless revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

The shareholders' approval for the Proposed Renewal of Share Buy-Back Authority does not impose an obligation on the Company to purchase its own shares on Bursa Securities. Rather, it will allow the Board to exercise the powers of the Company to purchase its own ordinary shares at any time within the abovementioned time period using the internal funds of the Company and/or external borrowings.

2.2 Actual Share Buy-Back

The actual number of Shares that may be purchased, the total amount of funds to be utilised and the timing of the proposed transactions for the Company to purchase its own shares will depend on the availability of financial resources, relevant cost factors, market conditions and sentiments.

In accordance with Paragraph 12.09 of the Listing Requirements, Kawan will not purchase its own shares or hold any of its own shares as Treasury Shares if this results in the aggregate shares purchased or held to exceed 10% of the total number of issued shares of the Company.

2.3 Treatment of the Shares Purchased

In accordance with Section 127(4) of the Act, the Company may at its discretion, deal with the purchased Shares in the following manner:-

- i. cancel the Shares so purchased;
- ii. retain the Shares so purchased as Treasury Shares; or
- iii. retain part of the Shares so purchased as Treasury Shares and cancel the remainder Shares.

Upon each transaction to purchase its own Shares, an immediate announcement will be made to Bursa Securities and whether to cancel the Shares, retain them as Treasury Shares or proceed in a combination of both. An immediate announcement will also be made to Bursa Securities of any resale or cancellation of the purchased Shares. Where the purchased Shares were held as Treasury Shares, the Board may:-

- (a) distribute the shares as dividends to shareholders, such dividends to be known as "share dividends";
- (b) resell the shares or any of the shares in accordance with the relevant rules of the Bursa Securities;
- (c) transfer the shares, or any of the shares for the purposes of or under an employees' share scheme;
- (d) transfer the shares, or any of the shares as purchase consideration;
- (e) cancel the shares or any of the shares; or
- (f) sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe.

The decision whether to retain the purchased Shares as Treasury Shares or to cancel the purchased Shares or a combination of both, will be made by the Board at the appropriate time.

The Board will be mindful of the interests of the Company and its shareholders in exercising the authority granted by the shareholders in deciding the final number of Shares to be purchased and thereafter cancelled and/or retained as Treasury Shares.

2.4 Purchase Price

In compliance with Paragraph 12.17 of the Listing Requirements, the Company may only purchase the Shares at a price which is not more than fifteen per centum (15%) above the weighted average market price for the Shares for the five (5) market days immediately before the purchase.

2.5 Resale Price

Pursuant to the provision of Paragraph 12.18 of the Listing Requirements, the Company may only resale the Treasury Shares on Bursa Securities or transfer the Treasury Shares pursuant to Section 127(17) of the Act at:

- i. a price which is not less than the weighted average market price for the Shares for the five (5) market days immediately before the resale or transfer; or
- ii. a discounted price of not more than 5% to the weighted average market price for the Shares for the five (5) market days immediately before the resale or transfer provided that:-
 - (a) the resale or transfer takes place no earlier than 30 days from the date of purchase; and
 - (b) the resale or transfer price is not less than the cost of purchase of the Shares being resold or transferred.

2.6 Historical Share Price

The monthly highest and lowest prices of the Shares as traded on Bursa Securities for the preceding twelve (12) months from April 2021 to March 2022 are as follows:-

Month	Shares	
	High (RM)	Low (RM)
2021		
April	2.06	1.80
May	2.19	1.86
June	2.16	1.94
July	2.00	1.85
August	1.95	1.76
September	1.90	1.78
October	1.85	1.74
November	1.79	1.58
December	1.69	1.55
2022		
January	1.68	1.45
February	1.70	1.45
March	1.67	1.47

(Source: <https://www.investing.com/>)

The last transacted price of the Shares on 31 March 2022, being LPD prior to the printing of this Statement is RM1.64.

3. RATIONALE

The Proposed Renewal for Share Buy-Back Authority, if carried out, will enable the Company to purchase its own shares when appropriate and at prices that are viewed as favourable by the Board. The Proposed Renewal for Share Buy-Back Authority is expected to benefit the Company and its shareholders as follows:

- i. The Proposed Renewal for Share Buy-Back Authority will allow the Company to utilise its financial resources not immediately required for use to purchase its own shares from Bursa Securities. Depending on the funding cost for the purchase of its own shares, the Proposed Renewal for Share Buy-Back Authority may strengthen the EPS of the Company's shares and if so, it is expected to benefit the shareholders of the Company;
- ii. The Proposed Renewal for Share Buy-Back Authority is expected to reduce any unwarranted volatility of the Company's shares and assist to stabilize the supply, demand and price of the shares in the open market, thereby supporting the fundamental values of its shares;
- iii. The purchased shares may be held as Treasury Shares, and such shares may potentially be resold on Bursa Securities at a higher price and therefore realising a potential gain in the reserves. The Treasury Shares may also be distributed as share dividends to shareholders as a reward to the shareholders of the Company;
- iv. If the Board resolves to cancel the purchased shares, the EPS of the Company is expected to be enhanced as a result of the reduction in the issued share capital of the Company, thereby enabling long term and genuine investors to enjoy any potential corresponding increase in the value of their investments in the Company.

4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

4.1 Potential advantages

The potential advantages of the Proposed Renewal for Share Buy-Back Authority to the Company and its shareholders, if exercised, are as follows:

- i. Allows the Company the flexibility in achieving the desired capital structure, in terms of debt and equity composition and size of equity;
- ii. Allows the Company to take preventive measures against speculation, particularly when its shares are undervalued which would in turn stabilize the market price thereby enhancing investors' confidence; and
- iii. Other advantages of the Proposed Renewal of Share Buy-Back Authority are also outlined in Section 3 on the "Rationale" for the Proposed Renewal of Share Buy-Back Authority.

4.2 Potential disadvantages

The potential disadvantages of the Proposed Renewal for Share Buy-Back Authority to the Company and its shareholders are as follows:

- i. The Proposed Renewal for Share Buy-Back Authority will reduce the financial resources of the Group and may result in the Company foregoing other investment opportunities that may emerge in the future, or at the very least, deprive the Company and the Group of interest income that can be derived had the funds not been utilised for the Proposed Renewal for Share Buy-Back;
- ii. The Proposed Renewal for Share Buy-Back Authority can only be made out of retained profits of the Company and may result in the reduction of financial resources available for distribution to shareholders in the immediate future. However, the financial resources of the Group may increase if the Treasury Shares held are resold at prices higher than their purchase prices; and
- iii. In the event that the Proposed Renewal for Share Buy-Back Authority is funded by bank borrowings, the Company's net cash flow may decline to the extent of the interest cost associated with such borrowings.

Nevertheless, the Board is of the view that the Proposed Renewal for Share Buy-Back Authority is not expected to have any potential material disadvantage to the Group or its shareholders as it will be implemented only after in-depth consideration of the financial resources of the Group and the resultant impact on its shareholders.

The directors in exercising any decision on the Proposed Renewal for Share Buy-Back Authority will be mindful of the interest of the Company and its shareholders.

5. FUNDING

The Proposed Renewal of Share Buy-Back Authority will be funded by internally generated funds of the Company and/or borrowings. The amount of borrowings will depend on the financial resources available at the time of purchase(s). In the event that the Proposed Renewal of Share Buy-Back Authority is to be funded by borrowings, the Company will ensure its ability to repay such borrowings, and that such repayments will not have a material effect on its cash flows.

The actual number of the Company's shares to be purchased and the timing of any purchase, together with the treatment of the shares purchased would depend, *inter alia*, on the prevailing market conditions, the availability of the Company's retained profits as well as its cash and funding position.

The maximum amount of funds to be allocated for the Proposed Renewal of Share Buy-Back Authority shall not exceed the retained profits of the Company. Based on the Company's audited financial statements for the financial year ended 31 December 2021, the Company's retained profits stands at RM21,665,753.16. The Company's retained profits for the first quarter period ended 31 March 2022 stands at RM24,191,486.24.

6. FINANCIAL EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

Based on the assumption that the Proposed Renewal of Share Buy-Back Authority is carried out in full, and the shares repurchased are cancelled or alternatively retained as treasury shares or both, the effect of the Proposed Renewal of Share Buy-Back Authority on the share capital, NA, EPS and working capital of Kawan are set out below:

6.1 Share Capital

In the event the maximum number of Kawan shares authorized under the Proposed Renewal of Share Buy-Back Authority are purchased and such purchased shares are cancelled, the total number of issued shares of Kawan will be as follows:

	No. of Shares
Total number of issued Shares as at LPD	359,519,760
Less:	
Treasury Shares	(882,100)
Proposed Renewal of Share Buy-Back Authority (assuming the shares purchased are subsequently cancelled in full)	(35,069,876)
Resultant number of shares	<u>323,567,784</u>

However, if all the Kawan Shares purchased under the Proposed Renewal of Share Buy-Back Authority are retained as Treasury Shares, the Proposed Renewal of Share Buy-Back Authority will not have any effect on the capital of Kawan, although substantially all rights attached to the shares held as Treasury Shares would be suspended.

6.2 EPS

The effects of the proposed authority for share buy-back on the earnings and EPS of the Company will depend, *inter alia*, on the number of purchased shares, the purchase price and the effective funding cost of the purchase. The reduced number of the Company's shares applicable in computing the EPS

subsequent to the purchase will generally have a positive impact, all else being equal, on the EPS of the Company.

6.3 NA

The effect of the share buy-back on the NA per share of the Company is dependent on the purchase price(s) of the shares bought, the number of shares purchased, the effective funding cost, if any, and the subsequent treatment of the shares so purchased. The NA of the Company will reduce if the shares bought back are cancelled. The NA per share of the Company will reduce if the purchase price exceeds the NA per share and the NA per share of the Company will increase if the purchase price is less than the NA per share at the time of purchase. In the event the shares bought back and held as Treasury Shares are subsequently resold, the NA of the Company will increase or reduce depending on whether a gain or loss is realised upon the resale. The quantum of the increase or reduction in NA will depend on the actual disposal price, the number of shares purchased, and the amount of retained Treasury Shares which are resold.

6.4 Working Capital

The purchase of shares, as and when carried out, will reduce the working capital and cash flow of the Company, the quantum of which will depend on the purchase price(s) of the shares bought back, the number of shares purchased and the effective funding cost to the Company.

6.5 Dividends

The Proposed Renewal of Share Buy-Back Authority is not expected to have any impact on dividend payments. The declaration of dividends will be determined by the Board after taking into consideration the performance of the Company, the cash flow and capital commitments of the Company. The buy-back of shares may reduce the distributable reserves available for dividends. However, the Board may distribute future dividends in the form of shares which have been bought back and retained as Treasury Shares.

6.6 Substantial Shareholders' and Directors' shareholdings

Based on the Register of Substantial Shareholders and the Register of Directors' Shareholdings respectively as at LPD and assuming that the Proposed Renewal of Share Buy-Back Authority is implemented up to the maximum of 10% of the issued share capital, and that the purchased shares are from shareholders other than the Directors and substantial shareholders of the Company, the effect of the Proposed Renewal of Share Buy-Back Authority on the shareholding of the Directors and substantial shareholders of the Company are set out below :

(i) Substantial Shareholders' shareholdings

The effect of the Proposed Renewal of Share Buy-Back Authority on the substantial shareholders' shareholdings of the Company are set out below:

	As at LPD				After the Proposed Renewal of Share Buy-Back Authority			
	Direct No. of Shares	% ⁽¹⁾	Indirect No. of Shares	% ⁽¹⁾	Direct No. of Shares	% ⁽²⁾	Indirect No. of Shares	% ⁽²⁾
Gan Thiam Chai	90,208,948	25.15	10,711,600 ⁽³⁾	2.99	90,208,948	27.88	10,711,600 ⁽³⁾	3.31

	As at LPD				After the Proposed Renewal of Share Buy-Back Authority			
	Direct No. of Shares	% ⁽¹⁾	Indirect No. of Shares	% ⁽¹⁾	Direct No. of Shares	% ⁽²⁾	Indirect No. of Shares	% ⁽²⁾
Kwan Sok Kay	19,724,405	5.50	10,711,600 ⁽³⁾	2.99	19,724,405	6.10	10,711,600 ⁽³⁾	3.31
Gan Thiam Hock	22,462,133	6.26	2,706,300 ⁽⁴⁾	0.75	22,462,133	6.94	2,706,300 ⁽⁴⁾	0.84
VG Trustee Limited (as trustee of the Narvee Foundation)	73,751,200	20.56	-	-	73,751,200	22.79	-	-
Nareshchandra Gordhandas Nagrecha	3,250,000	0.91	73,751,200 ⁽⁵⁾	20.56	3,250,000	1.00	73,751,200 ⁽⁵⁾	22.79

Notes:

- ⁽¹⁾ Based on the total number of issued shares of 359,519,760 Kawan Shares less 882,100 Kawan Shares held as Treasury Shares.
- ⁽²⁾ Assuming the Proposed Renewal Share Buy-Back Authority is implemented in full, i.e. ten percent (10%) of the total number of issued Shares so acquired from shareholders other than substantial shareholders, and the Purchased Shares are subsequently cancelled or held as Treasury Shares.
- ⁽³⁾ Deemed interested in the shares by virtue of Section 59 of the Act, held through his/her children, namely Gan Ka Hui and Gan Ka Ooi who holds 4,700,300 and 6,011,300 ordinary shares respectively.
- ⁽⁴⁾ Deemed interested in the shares by virtue of Section 59 of the Act, held through his children, namely Gan Meng Hoi, Gan Meng Yeow, Gan Meng Hoo and Gan Kha Yee who holds 444,000, 344,000, 344,300 and 344,000 ordinary shares respectively and his spouse, Lam Saw Kuan who holds 1,230,000 ordinary shares of the Company.
- ⁽⁵⁾ Deemed interested pursuant to Section 8 of the Act by virtue of his substantial shareholdings in Narvee Foundation.

(ii) Directors' shareholdings

The effect of the Proposed Renewal of Share Buy-Back Authority on the Directors' shareholdings of the Company are set out below:

	As at LPD				After the Proposed Renewal of Share Buy-Back Authority			
	Direct No. of Shares	% ⁽¹⁾	Indirect No. of Shares	% ⁽¹⁾	Direct No. of Shares	% ⁽²⁾	Indirect No. of Shares	% ⁽²⁾
Gan Thiam Chai	90,208,948	25.15	10,711,600 ⁽³⁾	2.99	90,208,948	27.88	10,711,600 ⁽³⁾	3.31
Kwan Sok Kay	19,724,405	5.59	10,711,600 ⁽³⁾	2.99	19,724,405	6.10	10,711,600 ⁽³⁾	3.31
Gan Thiam Hock	22,462,133	6.26	2,706,300 ⁽⁴⁾	0.75	22,462,133	6.94	2,706,300 ⁽⁴⁾	0.84
Gan Ka Bien	4,013,849	1.12	-	-	4,013,849	1.24	-	-

	As at LPD				After the Proposed Renewal of Share Buy-Back Authority			
	Direct No. of Shares	% ⁽¹⁾	Indirect No. of Shares	% ⁽¹⁾	Direct No. of Shares	% ⁽²⁾	Indirect No. of Shares	% ⁽²⁾
Lim Hun Soon @ David Lim	7,637,028	2.13	-	-	7,637,028	2.36	-	-
Abdul Razak bin Shakor	-	-	-	-	-	-	-	-
Dr. Nik Ismail bin Nik Daud	-	-	-	-	-	-	-	-
Eugene Hon Kah Weng	-	-	-	-	-	-	-	-

Notes:

- ⁽¹⁾ Based on the total number of issued shares of 359,519,760 Kawan Shares less 882,100 Kawan Shares held as Treasury Shares.
- ⁽²⁾ Assuming the Proposed Renewal of Share Buy-Back Authority is implemented in full, i.e. ten percent (10%) of the total number of issued Shares so acquired from shareholders other than the Directors, and the Purchased Shares are subsequently cancelled or held as Treasury Shares.
- ⁽³⁾ Deemed interested in the shares by virtue of Section 59 of the Act, held through his/her children, namely Gan Ka Hui and Gan Ka Ooi who holds 4,700,300 and 6,011,300 ordinary shares respectively.
- ⁽⁴⁾ Deemed interested in the shares by virtue of Section 59 of the Act, held through his children, namely Gan Meng Hoi, Gan Meng Yeow, Gan Meng Hoo and Gan Kha Yee who holds 444,000, 344,000, 344,300 and 344,000 ordinary shares respectively and his spouse, Lam Saw Kuan who holds 1,230,000 ordinary shares of the Company.

7. PUBLIC SHAREHOLDING SPREAD

As at the LPD, the public spread of the Company is 34.62%. The public shareholding spread of the Company would be reduced to approximately 27.54% on the assumption that the Company implements the Proposed Renewal of Share Buy-Back Authority in full and the shares purchased are from the open market.

In this regard, the Company shall not buy-back any Shares if it results in the Company being in breach of the minimum public shareholding spread requirement of the Listing Requirements.

8. IMPLICATION OF THE CODE

As at LPD and based on the Register of Substantial Shareholders, the provisions on mandatory takeovers under the Code will not be triggered by any of the shareholders solely by reason of the Proposed Renewal of Share Buy-Back Authority being carried out in full.

However, an exemption from mandatory offer obligation may be granted by the Securities Commission under Rule 4 of the Rules on Take-Overs, Mergers and Compulsory Acquisitions, subject to the Company and the parties acting-in-concert complying with the conditions stipulated in the Practice Note.

9. INTERESTS OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND/OR PERSONS CONNECTED

Save for the inadvertent increase in the percentage shareholdings and/or voting rights of the shareholders as a consequence of the Proposed Renewal of Share Buy-Back Authority as set out in Section 6.6 above, none of the Directors, substantial shareholders of the Company and/or persons connected to them has any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority or resale of the Treasury Shares (if any).

10. PURCHASE OF SHARES AND RESALE OF TREASURY SHARES

During the previous 12 months up to LPD, the Company had purchased 882,100 Kawan Shares and retained as Treasury Shares. Details of the share buy-back were as follows:-

Date	No. of Shares repurchased (unit)	Lowest price paid (RM)	Highest price paid (RM)	Average Price (RM)	Total Consideration paid (RM)
8 February 2022	10,000	1.450	1.450	1.450	14,500.00
15 February 2022	44,700	1.500	1.500	1.500	67,050.00
17 February 2022	25,500	1.500	1.500	1.500	38,250.00
28 February 2022	50,000	1.620	1.620	1.620	81,000.00
3 March 2022	99,500	1.597	1.597	1.597	158,899.51
4 March 2022	73,000	1.592	1.592	1.592	116,243.74
7 March 2022	37,500	1.538	1.538	1.538	57,693.00
9 March 2022	26,500	1.510	1.510	1.510	40,015.00
10 March 2022	23,200	1.526	1.526	1.526	35,411.09
11 March 2022	76,700	1.518	1.518	1.518	116,399.15
14 March 2022	87,100	1.520	1.520	1.520	132,392.00
17 March 2022	200,900	1.482	1.482	1.482	297,733.80
18 March 2022	107,500	1.489	1.489	1.489	160,040.63
21 March 2022	20,000	1.490	1.490	1.490	29,800.00

** Exclusive transaction cost*

As at LPD, a total of 882,100 Kawan Shares were held as Treasury Shares. There was no resale or cancellation of Treasury Shares in the preceding 12 months.

11. DIRECTORS' RECOMMENDATION

The Board, after careful deliberation, is of the opinion that the Proposed Renewal of Share Buy-Back is in the best interest of the Company. Accordingly, the Board recommends that the shareholders of the Company to vote in favour of the ordinary resolution in respect of the Proposed Renewal of Share Buy-Back to be tabled at the forthcoming AGM of the Company.

12. FURTHER INFORMATION

Shareholders of the Company are requested to refer to the Appendix II for further information.

Yours faithfully,

For and on behalf of the Board of Directors of
KAWAN FOOD BERHAD

GAN THIAM CHAI
Executive Chairman

PART C

PROPOSED AMENDMENTS TO THE CONSTITUTION



KAWAN FOOD BERHAD
Registration No. 200401001942 (640445-V)
(Incorporated in Malaysia)

Registered Office:

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

29 April 2022

Board of Directors:

Mr. Gan Thiam Chai (*Executive Chairman*)
Mdm. Kwan Sok Kay (*Executive Director*)
Mr. Gan Thiam Hock (*Executive Director*)
Ms. Gan Ka Bien (*Executive Director*)
Dr. Nik Ismail Bin Nik Daud (*Senior Independent Non-Executive Director*)
Mr. Lim Hun Soon @ David Lim (*Independent Non-Executive Director*)
Mr. Eugene Hon Kah Weng (*Independent Non-Executive Director*)
Mr. Abdul Razak Bin Shakor (*Non-Independent Non-Executive Director*)

To: The Shareholders of KAWAN FOOD BERHAD

Dear Sir/Madam,

PROPOSED AMENDMENTS TO THE CONSTITUTION

1. INTRODUCTION

The Board had on 28 February 2022 made the announcement to Bursa Securities that the Company proposes to seek its shareholders' approval for the Proposed Amendments to the Constitution.

The purpose of this Circular is to provide you with the relevant information on the Proposed Amendments to the Constitution, and to seek your approval for the special resolution to be tabled at the forthcoming AGM of the Company. The notice of the AGM and the Proxy Form are included in the Annual Report of the Company for the financial year ended 31 December 2021.

2. DETAILS OF THE PROPOSED AMENDMENTS TO THE CONSTITUTION

Details of the Proposed Amendments to the Constitution of KAWAN are set out in Appendix III of this Circular.

3. RATIONALE FOR THE PROPOSED AMENDMENTS TO THE CONSTITUTION

The Proposed Amendments to the Constitution is primarily for the purpose of leverage the use of technology to conduct general meetings and to facilitate communication and engagements with shareholders electronically.

4. EFFECTS OF THE PROPOSED AMENDMENTS TO THE CONSTITUTION

The Proposed Amendments to the Constitution will not have any effect on the share capital of the Company and shall not have any material effect on the substantial shareholdings, net assets, gearing and earnings per share of the Group.

5. APPROVAL REQUIRED

The Proposed Amendments to the Constitution is subject to the approval being obtained from the shareholders of the Company at the forthcoming AGM.

6. INTERESTS OF DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND/OR PERSONS CONNECTED

None of the Directors and substantial shareholders or persons connected with them has any interests, direct or indirect, in the Proposed Amendments to the Constitution.

7. DIRECTORS' RECOMMENDATION

The Board, after having considered all aspects of the Proposed Amendments to the Constitution, is of the opinion that the Proposed Amendments to the Constitution is in the best interest of the Company, and accordingly recommends that you vote in favour of the special resolution pertaining to the Proposed Amendments to the Constitution to be tabled at the forthcoming AGM.

8. AGM

The special resolution to approve the Proposed Amendments to the Constitution is set out in the notice of the 18th AGM, which is enclosed in the Annual Report for the financial year ended 31 December 2021. The AGM will be conducted fully virtual using the Remote Participation and Voting Facilities ("RPV") provided by Tricor Investor & Issuing House Services Sdn. Bhd. via its TIIH Online website at <https://tiih.online>, on Thursday, 9 June 2022 at 10.30 a.m. or any adjournment thereof. The Notice of the 18th AGM of the Company together with the Proxy Form are set out in the Annual Report 2021 of the Company and this Circular can be downloaded from the Company's website at <https://kawanfood.com/index.php/our-company/investor-relations/> or Bursa Securities's website at https://www.bursamalaysia.com/market_information/announcements/company_announcement. For further information, please refer to the Notice of the 18th AGM and Administrative Details on 18th AGM.

If you are unable to attend and vote at the AGM, please complete and return the Proxy Form in accordance with the instruction therein as soon as possible and should reach the Company's Special Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on or before the date and time indicated below or any adjournment thereof. You also have the option to lodge the proxy appointment electronically via TIIH online at <https://tiih.online> before the Proxy Form lodgement cut-off time stated on the cover of this Circular.

9. FURTHER INFORMATION

Shareholders are requested to refer to the attached Appendix III in this Circular for further information.

Yours faithfully,

For and on behalf of the Board of Directors of

KAWAN FOOD BERHAD

GAN THIAM CHAI

Executive Chairman

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APPENDIX I**DETAILS OF SUBSIDIARIES OF KAWAN ARE LISTED BELOW:**

Name of Company	Place of Incorporation	Principal Activities	Effective Ordinary Equity Interest %
Kawan Food Manufacturing Sdn. Bhd.	Malaysia	Manufacturing and sales of frozen food products	100
KG Pastry Marketing Sdn. Bhd.	Malaysia	Investment property and rental of trucks and investment holding	100
Kawan Food Confectionery Sdn. Bhd.	Malaysia	Investment holding	100
Dikawani Foods Sdn. Bhd. (In Members' Voluntary Winding-Up)	Malaysia	Food truck business	51
KLBG Sdn. Bhd.	Malaysia	Manufacturing, trading, distributing and exporting food products	60
Kawan Food (Hong Kong) Limited	Hong Kong SAR	Trading and distribution of frozen food products	100
Kawan Food (Nantong) Co., Ltd.	People's Republic of China	Manufacturing and sales of frozen food products	100

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FURTHER INFORMATION**1. DIRECTORS' RESPONSIBILITY STATEMENT**

This Circular has been seen and approved by the Directors of Kawan who collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

2. MATERIAL LITIGATION

The Board confirms that neither the Company nor any of its subsidiary companies is engaged in any material litigation, claims and/or arbitration either as plaintiff or defendant, nor is the Board aware of any material proceedings pending or threatened against the Company and/or subsidiaries companies or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Company and/or its subsidiaries.

3. MATERIAL COMMITMENTS

Save for those as disclosed below, the Board has confirmed that to the best of its knowledge and belief, there are no material commitments incurred or known to be incurred by our Company or our Group which upon becoming enforceable may have material impact on the financial position of our Group.

Kawan's material commitments as at the 31 March 2022 are as follows:

	RM'000

-Approved and Contracted	6,463

4. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of Kawan which is located at the office of Boardroom Corporate Services Sdn. Bhd. at 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia during normal office hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the 18th AGM:-

- a) The Constitution of the Company; and
- b) The audited consolidated financial statements of Kawan for the past two (2) financial years ended 31 December 2020 and 31 December 2021.

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DETAILS OF PROPOSED AMENDMENTS TO THE CONSTITUTION

The Constitution of the Company is proposed to be amended in the following manner and the existing Clause numbers 101 to 107 shall be re-numbered accordingly: -

Clause No	Existing Clauses in the Constitution	Proposed Amendment (as underlined or deleted)																								
8	<p>(1) In this Constitution, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof: -</p> <table><tr><th>Words</th><th>Meanings</th></tr><tr><td>“Act”</td><td>: The Companies Act 2016 and any statutory modification, amendment or re-enactment thereof for the time being in force.</td></tr><tr><td>“Authorised Nominee”</td><td>: A person who is authorised to act as nominee as specified under the Rules of the Depository.</td></tr><tr><td>“Beneficial Owner”</td><td>: The ultimate owner of the shares and does not include a nominee of any description.</td></tr><tr><td>“Board”</td><td>: The board of directors for the time being of the Company.</td></tr><tr><td>“Books Closing Date”</td><td>: The specified time and date set by the Company for the purpose of determining persons entitled to dividends, interest, or new securities, or rights to a priority of application for issues of securities.</td></tr></table>	Words	Meanings	“Act”	: The Companies Act 2016 and any statutory modification, amendment or re-enactment thereof for the time being in force.	“Authorised Nominee”	: A person who is authorised to act as nominee as specified under the Rules of the Depository.	“Beneficial Owner”	: The ultimate owner of the shares and does not include a nominee of any description.	“Board”	: The board of directors for the time being of the Company.	“Books Closing Date”	: The specified time and date set by the Company for the purpose of determining persons entitled to dividends, interest, or new securities, or rights to a priority of application for issues of securities.	<p>(1) In this Constitution, if not inconsistent with the subject or context, the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof: -</p> <table><tr><th>Words</th><th>Meanings</th></tr><tr><td>“Act”</td><td>: The Companies Act 2016 and any statutory modification, amendment or re-enactment thereof for the time being in force.</td></tr><tr><td>“Authorised Nominee”</td><td>: A person who is authorised to act as nominee as specified under the Rules of the Depository.</td></tr><tr><td>“Beneficial Owner”</td><td>: The ultimate owner of the shares and does not include a nominee of any description.</td></tr><tr><td>“Board”</td><td>: The board of directors for the time being of the Company.</td></tr><tr><td><u>“Broadcast Venue”</u></td><td>: <u>a physical venue in Malaysia where the Chairperson of the general meeting is physically present. The essential individuals may also be present at the broadcast venue or be available via video conferencing or other similar means to facilitate the conduct of a fully virtual</u></td></tr></table>	Words	Meanings	“Act”	: The Companies Act 2016 and any statutory modification, amendment or re-enactment thereof for the time being in force.	“Authorised Nominee”	: A person who is authorised to act as nominee as specified under the Rules of the Depository.	“Beneficial Owner”	: The ultimate owner of the shares and does not include a nominee of any description.	“Board”	: The board of directors for the time being of the Company.	<u>“Broadcast Venue”</u>	: <u>a physical venue in Malaysia where the Chairperson of the general meeting is physically present. The essential individuals may also be present at the broadcast venue or be available via video conferencing or other similar means to facilitate the conduct of a fully virtual</u>
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	<p>“Bursa Depository” : Bursa Malaysia Depository Sdn. Bhd. (Company No. 165570-W) including any further change of name.</p> <p>“Central Depositories Act” : Securities Industry (Central Depositories) Act 1991, and any statutory modification, amendment or re-enactment thereof for the time being in force.</p> <p>“Clause” : Clauses of this Constitution as originally framed or altered from time to time by Special Resolution.</p> <p>“CMSA” : Capital Markets and Services Act 2007, and any statutory modification, amendment or re-enactment thereof for the time being in force.</p> <p>“Constitution” : This Constitution as originally framed or as altered from time to time by Special Resolution and this “Constitution” means any one of them.</p> <p>“Company” : KAWAN FOOD BERHAD (Company No. 640445-V)</p> <p>“Deposited Security” : A security in the Company standing to the credit of a Securities Account of a Depositor and includes securities in the Securities Account that is in suspense subject to the provisions of the Central Depositories Act and the Rules.</p> <p>“Depositor” : A holder of a Securities Account as defined in Section 2 of the Central Depositories Act.</p> <p>“Directors” : The directors for the time being of the Company as defined in Section 2(1) of the CMSA.</p>	<p><u>general meeting subject to the rules, regulations and laws at that time specified therein.</u></p> <p>“Books Closing Date” : The specified time and date set by the Company for the purpose of determining persons entitled to dividends, interest, or new securities, or rights to a priority of application for issues of securities.</p> <p>“Bursa Depository” : Bursa Malaysia Depository Sdn. Bhd. <u>[Registration No. 198701006854 (165570-W)]</u> including any further change of name.</p> <p><u>“Business Day”</u> : <u>A day (not being a Saturday, Sunday or public holiday) on which licensed financial institutions are open for general banking business in Kuala Lumpur.</u></p> <p>“Central Depositories Act” : Securities Industry (Central Depositories) Act 1991, and any statutory modification, amendment or re-enactment thereof for the time being in force.</p> <p><u>“Chairman”</u> : <u>The Chair or Chairperson of the Company or of the Meeting.</u></p> <p>“Clause” : Clauses of this Constitution as originally framed or altered from time to time by Special Resolution.</p> <p>“CMSA” : Capital Markets and Services Act 2007, and any statutory modification, amendment or re-enactment thereof for the time being in force.</p> <p>“Constitution” : This Constitution as originally framed or as altered from time to time by Special Resolution and this “Constitution” means any one of them.</p>
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	<p>“Documents” : Any document required to be sent under the Listing Requirements to securities holder.</p> <p>“Electronic Address” : Any address or number used for the purpose of sending or receiving documents or information by electronic means.</p> <p>“Electronic Communication” : A document or information is sent or supplied by electronic communication if it is sent initially, and received at its destination by means of electronic equipment for the processing (which expression includes digital compression) or storage of data, and entirely transmitted, conveyed and received by wire, by radio, by optical means or by other electromagnetic means.</p> <p>“Electronic Form” : Document or information sent or supplied in electronic form are those sent by “electronic communication” or by any other means while in an electronic form whereby a recipient of such document or information would be able to retain a copy.</p> <p>“Exchange” : Bursa Malaysia Securities Berhad (Company No. 635998-W) and / or any other Exchange on which the Company is listed.</p> <p>“Exempt Authorised Nominee” : An authorized nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of Central Depositories Act.</p> <p>“Listing Requirements” : Bursa Malaysia Securities Berhad Main Market Listing Requirements including any</p>	<p>“Company” : KAWAN FOOD BERHAD [Registration No. 200401001942 (640445-V)]</p> <p>“Deposited Security” : A security in the Company standing to the credit of a Securities Account of a Depositor and includes securities in the Securities Account that is in suspense subject to the provisions of the Central Depositories Act and the Rules.</p> <p>“Depositor” : A holder of a Securities Account as defined in Section 2 of the Central Depositories Act.</p> <p>“Directors” : The directors for the time being of the Company as defined in Section 2(1) of the CMSA.</p> <p>“Documents” : Any document required to be sent under the Listing Requirements to securities holder.</p> <p>“Electronic Address” : Any address or number used for the purpose of sending or receiving documents or information by electronic means.</p> <p>“Electronic Communication” : A document or information is sent or supplied by electronic communication if it is sent initially, and received at its destination by means of electronic equipment for the processing (which expression includes digital compression) or storage of data, and entirely transmitted, conveyed and received by wire, by radio, by optical means or by other electromagnetic means.</p> <p>“Electronic Form” : Document or information sent or supplied in electronic form are those sent by “electronic communication” or by any other means while in an electronic form whereby a recipient of</p>
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	<p>amendments thereto that may be made from time to time.</p> <p>“Market Day” : A day on which the stock market of the Exchange is open for trading in securities.</p> <p>“Member(s) or securities holder” : Unless otherwise expressed to the contrary, any person(s) for the time being holding one or more shares in the Company and whose name(s) appears in the Register and includes a Depositor who shall be treated as if he were a member pursuant to Section 35 of the Central Depositories Act but excludes the Bursa Depository in its capacity as a bare trustee member.</p> <p>“Office” : The registered office for the time being of the Company.</p> <p>“Record of Depositors” : A record provided by the Bursa Depository to the Company or its registrar(s) under Chapter 24.0 of the Rules.</p> <p>“Register” : The Register of Members to be kept pursuant to the Act, and unless otherwise expressed to the contrary, includes the Record of Depositors.</p> <p>“Registrar” : Such person, firm or company which for the time being maintains in Malaysia, the register of securities holders.</p> <p>“Rules” : The Rules of the Bursa Depository and any appendices thereto, as amended, modified and supplemented from time to time.</p> <p>“Rules of the Depository” : The rules as defined in Section 2 of the Central Depositories Act.</p>	<p>such document or information would be able to retain a copy.</p> <p>“Exchange” : Bursa Malaysia Securities Berhad <u>[Registration No. 200301033577 (635998-W)]</u> and / or any other Exchange on which the Company is listed.</p> <p>“Exempt Authorised Nominee” : An authorized nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of Central Depositories Act.</p> <p>“Listing Requirements” : Bursa Malaysia Securities Berhad Main Market Listing Requirements including any amendments thereto that may be made from time to time.</p> <p>“Main Venue” : <u>A primary physical venue in Malaysia where the Chairperson of the general meeting or any adjournment thereof is physically present at the date and time set for any planned general meeting or any adjournment thereof.</u></p> <p>“Market Day” : A day on which the stock market of the Exchange is open for trading in securities.</p> <p>“Member(s) or securities holder” : Unless otherwise expressed to the contrary, any person(s) for the time being holding one or more shares in the Company and whose name(s) appears in the Register and includes a Depositor who shall be treated as if he were a member pursuant to Section 35 of the Central Depositories Act but excludes the Bursa Depository in its capacity as a bare trustee member.</p>
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	“Seal”	: The Common Seal of the Company or in appropriate cases the Official Seal.	“Office”	: The registered office for the time being of the Company.
	“Secretary”	: Any person or persons appointed to perform the duties of the Secretary of the Company and shall include any person(s) who is a member of a professional body, or any other body, which has for the time being been prescribed by the Minister by notification published in the Gazette.	“Record of Depositors”	: A record provided by the Bursa Depository to the Company or its registrar(s) under Chapter 24.0 of the Rules.
	“Securities”	: As defined in Section 2(1) of CMSA or any modification, amendment or reenactment thereof for the time being in force.	“Register”	: The Register of Members to be kept pursuant to the Act, and unless otherwise expressed to the contrary, includes the Record of Depositors.
	“Securities Account”	: An account established by the Bursa Depository for a Depositor for the recording of deposit or withdrawal of Securities and for dealing in such Securities by the Depositor as permitted under the Central Depositories Act and / or the Rules.	“Registrar”	: Such person, firm or company which for the time being maintains in Malaysia, the register of securities holders.
	“Shares”	: Issued share capital of a corporation and includes stock except where a distinction between stock and shares is expressed or implied.	“Rules”	: The Rules of the Bursa Depository and any appendices thereto, as amended, modified and supplemented from time to time.
	“Share Issuance Scheme”	: Means a scheme involving a new issuance of shares to the employees and/or Directors.	“Rules of the Depository”	: The rules as defined in Section 2 of the Central Depositories Act.
			“Seal”	: The Common Seal of the Company or in appropriate cases the Official Seal.
			“Secretary”	: Any person or persons appointed to perform the duties of the Secretary of the Company and shall include any person(s) who is a member of a professional body, or any other body, which has for the time being been prescribed by the Minister by notification published in the Gazette.
			“Securities”	: As defined in Section 2(1) of CMSA or any modification, amendment or reenactment thereof for the time being in force.

		<p>“Securities Account” : An account established by the Bursa Depository for a Depositor for the recording of deposit or withdrawal of Securities and for dealing in such Securities by the Depositor as permitted under the Central Depositories Act and / or the Rules.</p> <p>“Shares” : Issued share capital of a corporation and includes stock except where a distinction between stock and shares is expressed or implied.</p> <p>“Share Issuance Scheme” : Means a scheme involving a new issuance of shares to the employees and/or Directors.</p>
18	<p>Subject to the Listing Requirements paragraph 6.06, the Act, the Central Depositories Act and/or the Rules and notwithstanding the existence of a resolution pursuant to Section 75(1) and 76(1) of the Act, the Company must not issue any Shares or convertible Securities if the total number of those Shares or convertible Securities, when aggregated with the total number of any such Shares or convertible Securities issued during the preceding 12 months, exceeds 10% of the total number of issued shares (excluding treasury shares) of the Company, except where the Shares or convertible Securities are issued with prior approval of the shareholders in general meeting of the precise terms and conditions of the issue.</p>	<p>Subject to the Listing Requirements paragraph 6.06, the Act, the Central Depositories Act and/or the Rules and notwithstanding the existence of a resolution pursuant to Section 75(1) and 76(1) of the Act, the Company must not issue any Shares or convertible Securities if the total number of those Shares or convertible Securities, when aggregated with the total number of any such Shares or convertible Securities issued during the preceding 12 months, exceeds 10% of the total number of issued shares (excluding treasury shares) of the Company, except where the Shares or convertible Securities are issued with prior approval of the shareholders in general meeting of the precise terms and conditions of the issue.</p>
27A	NEW	<p><u>(1) The Company is an exempted entity under Paragraph 17 of the Guideline for the Reporting Framework for Beneficial Ownership of Legal Persons issued by the Companies Commission of Malaysia (“Guidelines”).</u></p> <p><u>(2) Notwithstanding the above, the Company is obliged to:</u></p> <p><u>(a) (provide the beneficial owners information to other regulators, competent authorities and law enforcement agencies in accordance with any written laws; and</u></p> <p><u>(b) make a declaration of its exempted status;</u></p>

		<p>(i) <u>once the Registrar invokes his power under Section 56(6) of the Act according to the Guidelines; and</u></p> <p>(ii) <u>in the annual return pursuant to Section 68 of the Act.</u></p> <p>(3) Each Member must observe the requirements set out in the Guidelines.</p>
68(1)	<p>(e) purchase shares in itself subject of the provision of the Act and the rules, regulations, orders, guidelines or requirements issued by the Exchange and/or any other relevant authority from time to time; or</p>	<p>(e) <u>acquire by purchase in good faith and in the best interests of the Company, the Company's own shares through the Exchange on which the shares are quoted provided always that the Company is solvent at the date of purchase of the Company's shares and will not become insolvent by incurring the debt arising from the obligation to pay for the shares so purchased; or</u></p>
83	<p>No business shall be transacted at any general meeting unless a quorum is present at the commencement of the meeting. For all purposes, two members present in person or by proxy, or, in the case of corporations which are members, present by their representatives pursuant to the provision of this Constitution and entitled to vote shall be quorum for all purposes. For the purposes of this Clause "Member" includes a person attending as a proxy or representing a corporation which is a Member. The Company shall inform the Bursa Depository of the dates of meetings of Members and shall request the Bursa Depository in accordance with the Rules, to issue the General Meeting Record of Depository. Subject to the Central Depositories Act and any requirements of the Exchange, a Depositor shall not be regarded as a Member entitled to attend any meeting of Members and to speak and vote thereat, unless his name appears in the General Meeting Record of Depositors.</p>	<p>(1) No business shall be transacted at any general meeting unless a quorum is present at the commencement of the meeting. For all purposes, two (2) members present in person or by proxy, or, in the case of corporations which are members, present by their representatives appointed in that behalf pursuant to the provision of this Constitution and entitled to vote shall be quorum for all purposes. For the purposes of this Clause "Member" includes a person attending as a proxy or representing a corporation which is a Member. The Company shall inform the Bursa Depository of the dates of meetings of Members and shall request the Bursa Depository in accordance with the Rules, to issue the General Meeting Record of Depository. Subject to the Central Depositories Act and any requirements of the Exchange, a Depositor shall not be regarded as a Member entitled to attend any meeting of Members and to speak and vote thereat, unless his name appears in the General Meeting Record of Depositors.</p> <p><u>For the purposes of constituting a quorum: -</u></p> <p><u>(a) one or more representatives appointed by a corporation shall be counted as one member; or</u></p> <p><u>(b) one or more proxies appointed by a person shall be counted as one member.</u></p> <p>For the purposes of this Clause "Member" includes a person attending as a proxy or representing a corporation which is a Member. The Company shall inform the Bursa Depository of the dates of meetings of Members and shall request the Bursa Depository in accordance with the Rules, to issue the General Meeting Record of Depository. Subject to the Central Depositories Act and any requirements of the Exchange, a Depositor shall not be regarded as a Member entitled to attend any meeting of</p>

		<p>Members and to speak and vote thereat, unless his name appears in the General Meeting Record of Depositors.</p> <p>(2) <u>Where a meeting is conducted using technology approved by the Directors under this Constitution, and where permitted by law, the two (2) Members referred to in Clause 83(a) need not be physically present at the same place (or at any place) or as the case may be outside Malaysia.</u></p> <p><u>Participation by a member by using any video or other similar technology or method that allows member to participate and exercise his/her rights to speak and vote at the meeting shall be deemed as present at the meeting and shall be counted towards the quorum notwithstanding the fact that he/she is not physically present at the main venue where the meeting is to be held or as the case may be, the member being out of Malaysia.</u></p>
88	<p>Without prejudice to any other power which the Chairman may have under the provisions of this Constitution or at common law and subject to the Act and the Listing Requirements, the Chairman shall have full discretion on the general conduct of meeting, procedures to be adopted at the meeting to ensure proper and orderly conduct of the business of all general meetings and the Chairman's decision on matters of procedure or arising accidentally from the business of such meetings shall be final, as shall be his determination as to whether any matter is of such a nature. The Chairman may also at his discretion and in accordance with applicable laws, decide whether to admit new business at a meeting of shareholders.</p>	<p>(1) <u>Without prejudice to any other power which the Chairman may have under the provisions of this Constitution or at common law and subject to the Act and the Listing Requirements:</u></p> <p>(a) <u>the Chairman shall have full discretion on the general conduct of meeting and the procedures to be adopted at the meeting to ensure proper and orderly conduct of the business of all general meetings and the Chairman's decision on matters of procedure or arising incidentally from the business of such meetings shall be final, as shall be his determination as to whether any matter is of such a nature. The Chairman may also at his discretion and in accordance with the Applicable Laws, decide whether to admit new business which is not on the agenda at a general meeting;</u></p> <p>(b) <u>if there is insufficient room at a venue used for the meeting, the Chairman may arrange another or a second or other venue (without giving notice or putting the matter to a vote).</u></p> <p>(2) (a) <u>The Chairman can propose amendments to an ordinary or special resolution if these are minor amendments to correct typographical errors in the resolution.</u></p>

	<p><u>(b)</u> Save as stated in Clause (a) above, no other amendments can be proposed to a special resolution.</p> <p><u>(c)</u> Amendments to an ordinary resolution which are within the scope of the resolution can be proposed if written notice of the proposed amendment is received at the Registered Office addressed to the Secretary at least 3 clear business days before the day fixed for the meeting or adjourned meeting.</p> <p><u>(d)</u> If the Chairman, acting in good faith, rules an amendment out of order, an error in that ruling will not affect the validity of a vote on the original resolution.</p> <p><u>(3)</u> The Chairman of a meeting can take any action he considers appropriate for proper and orderly conduct at a general meeting. This may include demanding that debate or discussion on any business, question, motion or resolution being ended or that the business, question, motion or resolution be put to a vote of the members so that the meeting reflects the wishes of the majority.</p> <p><u>(4)</u> <u>(a)</u> If authorised by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, the members who are not physically present at a general meeting where the Chairman of the general meeting is physically present, may attend remotely by way of video conferencing or other similar technology and by means of remote communication:</p> <p>(i) <u>participate in such general meeting; and</u></p> <p>(ii) <u>be deemed present in person at such general meeting, be counted in the quorum and be entitled to vote at such general meeting.</u></p>	
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	<p><u>(b) The general meeting shall be duly constituted and its proceedings shall be valid if the Chairman of the general meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that members participating in the general meeting through remote communication are able:</u></p> <ul style="list-style-type: none"> <u>(i) to participate in the matters for which such general meeting has been convened;</u> <u>(ii) to speak and be heard (whether by use of microphones, loudspeakers, audio-visual communication equipment, type text or any form of electronic means which allows the members to raise any questions and/or express their views on the matters) and be heard or be seen or read, as the case may be; and</u> <u>(iii) to vote on matters submitted to the members.</u> <p><u>(5) If, before or during a general meeting, it appears to the Chairman of the general meeting that:-</u></p> <ul style="list-style-type: none"> <u>(a) the facilities at the main venue, broadcast venue or venue other than main venue for the conduct of general meeting; or</u> <u>(b) the means used for the remote communication,</u> <p><u>have become inadequate to conduct such general meeting or that technical difficulty has occurred such that the members do not have a reasonable opportunity to participate or speak and be heard or be seen or read, as the case may be at the general meeting, then the Chairman of the general meeting at his discretion may :</u></p> <ul style="list-style-type: none"> <u>(i) without the consent of the members at the general meeting, interrupt or adjourn the general meeting until the difficulty is remedied; or</u>
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<p>(ii) where a quorum remains present (either at the place at which the chairman is present or by remote technology and able to participate, subject to the <u>Constitution, continue the meeting.</u></p> <p><u>All businesses as conducted at that general meeting up to the adjournment shall be valid. The provisions of Clause 88 shall apply to that adjournment. It is expressly stated that no interruption or termination of any remote communication or the ability of a member to participate in a general meeting by way of remote communication shall invalidate any general meeting held using such remote communications or any such resolution decided upon at such general meeting.</u></p>	<p>(6) <u>The Board may request the members, proxies or representatives wanting to attend a general meeting to comply with security or health procedures including being duly vaccinated against Covid19 and/or (if announced to be as such by the Government of Malaysia) other similar coronavirus or CoV-H or other pandemic like diseases which the Board deem appropriate. The Board may, at their discretion, refuse entry to, or remove from, a general meeting, a member, proxy or representative who does not comply with the security or health procedures. Security procedures may include member, proxy or representative not being allowed into a general meeting with recording or broadcasting devices without consent, or who refuses to comply with a request to turn off a mobile telephone, or other communication, recording or similar device, or who possesses an article which the Chairman of the general meeting considers as to be dangerous, offensive, or liable to cause disruption.</u></p>	<p>(7) <u>A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.</u></p>
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		<p><u>(8) A person requested by the Directors or the Chairman to attend a general meeting, is entitled to be present (and if invited by the Chairman, to speak) at the meeting, irrespective of whether the person is a member and such attendance shall not be deemed to affect the validity of such meeting or any business transacted at the said meeting or any Resolutions passed at such meeting.</u></p>
94	<p>The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.</p> <p>A proxy may vote only as directed in the proxy form. However, if the appointor or representative attend and vote on a resolution, the proxy or attorney must not vote.</p>	<p>The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.</p> <p>A proxy may vote only as directed in the proxy form. However, <u>a member is not precluded from attending the meeting in person after lodging the instrument of proxy. Such attendance shall automatically revoke the authority granted to the proxy.</u></p>
96	<p>If a poll is duly demanded it shall be taken in such manner as the Chairman of the meeting may direct and at least one (1) scrutineer must be appointed to validate the votes cast at the general meeting. The appointed scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process. The Chairman of the meeting may fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.</p> <p>The poll may be conducted manually using voting slips or electronically using various forms of electronic devices. Such votes shall be counted by the poll administrator, and verified by the scrutineer, as may be appointed by the Chairman of the meeting for the purpose of determining the outcome of the resolution(s) to be decided on poll.</p>	<p>If a poll is duly demanded it shall be taken in such manner as the Chairman of the meeting may direct and at least one (1) scrutineer must be appointed to validate the votes cast at the general meeting. The appointed scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process. <u>If such scrutineer is interested in a resolution to be passed at the general meeting, the scrutineer must refrain from acting as the scrutineer for that resolution.</u> The Chairman of the meeting may fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.</p> <p>The poll may be conducted manually using voting slips or electronically using various forms of electronic devices <u>or if the meeting to be held virtually, the poll may be conducted virtually using any electronic means via any online platform, website or mobile application by any features available of that online platform, website or mobile application.</u> Such votes shall be counted by the poll administrator, and verified by the scrutineer, as may be appointed by the Chairman of the meeting for the purpose of determining the outcome of the resolution(s) to be decided on poll.</p>

96A	NEW	<p><u>Further to the above provisions, the Chairman may appoint scrutineers for the purposes of a poll, and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll and for this purpose, the Chairman may delegate any other Director or the Company Secretary to be the Chairman of such adjourned meeting at which the result of the poll of the poll will be declared, and any such declaration at an adjourned meeting or publication on the Company's website of the results of the relevant poll which shows that a resolution has been carried or lost or has not been carried by any particular majority, and an entry to that effect in the minutes of the proceedings of the Company, shall, in the absence of manifest error, be conclusive evidence of such fact.</u></p>
96B	NEW	<p><u>After the Chairman of general meeting shall have declared the meeting to be concluded or ended, no business and question shall under any pretext whatsoever be brought forward or discussed.</u></p>
101	NEW	<p><u>(1) Subject to the Act, where a general meeting is convened by the Board, the Chairman may, in its absolute discretion, cancel the general meeting or postpone the holding of the general meeting or adjourn the meeting, before or after it has started, and whether or not quorum is present, if he consider that:</u></p> <p><u>(a) there is not enough room for the number of shareholders who wish to attend the meeting;</u></p> <p><u>(b) the behaviour of the people present prevents, or is likely to prevent, the business of the meeting being carried out in an orderly way; or</u></p> <p><u>(c) an adjournment is necessary for any other reason, so that the business of the meeting can be properly carried out.</u></p>

		<p><u>The Chairman does not need the consent of the meeting to adjourn it for any of these reasons to a date and time or place which he decides. He may also adjourn the meeting to a later time on the same day or indefinitely. If the meeting is adjourned indefinitely, the directors will fix the date, time and place of the adjourned meeting. The cancellation or postponement of a general meeting is subject to the Listing Requirements and other requirements by the Exchange.</u></p> <p><u>This Clause shall not apply to a general meeting convened in accordance with Sections 310(b) and 311 of the Act by a member or members without prior written consent of the person who called or requisitioned the meeting.</u></p> <p><u>(2) A notice calling for the cancellation or postponement or change of place of a general meeting must state the reason for the cancellation or postponement or change and such notice shall be:</u></p> <ul style="list-style-type: none"> <u>(a) published in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper;</u> <u>(b) given to the Exchange and given in other manner required by the Listing Requirements or other requirements by the Exchange; and</u> <u>(c) subject to the Act and the Listing Requirements, given in any other manner determined by the Board.</u> <p><u>(3) A notice of postponement of a general meeting must specify:</u></p> <ul style="list-style-type: none"> <u>(a) the postponed date and time for the holding of the general meeting;</u> <u>(b) a place for the holding of the general meeting which may be either the same as or different from the place specified in the notice convening the meeting; and</u>
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	<p><u>(c) if the general meeting is to be held in two (2) or more places, the technology that will be used to facilitate the holding of the meeting in that manner.</u></p> <p><u>The new time and place specified in the notice of postponement will be taken to be the time and place for the meeting specified in the notice calling the meeting originally.</u></p> <p><u>Notice specifying the business to be transacted at such moved and/or postponed meeting is not required. The Board must take reasonable steps to ensure that members trying to attend the general meeting at the original time, date/or place are informed of the new arrangements for the general meeting.</u></p> <p><u>(4) The only business that may be transacted at a postponed general meeting is the business specified in the original notice convening the meeting.</u></p> <p><u>(5) Where by the terms of an instrument appointing a proxy or attorney or an appointment of a representative:</u></p> <p><u>(a) the appointed person is authorised to attend and vote at a general meeting to be held on or before a specified date; and</u></p> <p><u>(b) the date for holding the meeting is postponed to a date later than the date specified in the instrument of proxy, power of attorney or appointment of representative, then, by force of this Clause, that later date is substituted for and applies to the exclusion of the date specified in the instrument of proxy, power of attorney or appointment of representative. However, this does not apply if the member appointing the proxy, attorney or representative gives notice in writing to the Company at the Office or another address (including electronic address) specified in the notice of meeting to the contrary not less than twenty-four (24) hours before the time to which the holding of the meeting has been postponed.</u></p>

		<p><u>(6) The non-receipt of notice of cancellation or postponement of a general meeting by, or the accidental omission to give notice of cancellation or postponement of a general meeting to, a person entitled to receive notice does not invalidate any resolution passed at a postponed general meeting or the cancellation or postponement of a general meeting.</u></p> <p><u>(7) A Director is entitled to receive notice of and to attend all general meetings and all separate meetings of the holders of any class of shares in the capital of the Company and is entitled to speak at those meetings.</u></p> <p><u>(8) If the Directors are required to convene and arrange to hold a general meeting as a result of a request by members in accordance with Section 311 of the Act, the general meeting may be cancelled by the Directors if the members who requisitioned the meeting withdraw their requests prior to the date of the meeting.</u></p>
102	<p>(1) Subject to Clause 76 above and any rights or restrictions for the time being attached to any class or classes of shares, at meetings of members or classes of members, each member shall be entitled to be present and to vote at any general meeting of the Company either personally or by proxy or by attorney and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.</p>	<p><u>Existing Clause 101 to be re-numbered to 102</u></p>

	<p>(2) Subject to Clause 93(1) and any special rights or restrictions as to voting attached to any class or classes of shares by or in accordance with this Constitution, on a show of hands every person present who is a holder of ordinary shares or preference shares or a member's representative or proxy or attorney and if a corporation is present by a duly authorized representative or by proxy or attorney entitled to vote shall be entitled to one vote on any question at any general meeting and in the case of a poll every member present in person or by proxy or by attorney or other duly authorised representative shall have one vote for every share held by him. A person entitled to more than one vote need not use all his votes or cast all the votes he uses on a poll in the same way. A member may appoint not more than two proxies to attend at the same meeting. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy and only one of those proxies is entitled to vote on a show of hands. A proxy appointed to attend and vote at a meeting shall have the same rights as the member to speak at the meeting.</p> <p>(3) Where the capital of the Company consists of shares of different monetary denominations, voting rights shall be prescribed in such manner that a unit of capital in each class, when reduced to a common denominator, shall carry the same voting power when such right is exercisable.</p>
103	<p>Any corporation which is a member of the Company may be resolution of its Directors or other governing body authorize such person as it thinks fit to act as its representative either at a particular meeting of the Company, or at all meetings of the Company or any class of members and the person so authorized shall, in accordance with his authority and until his authority is revoked by the corporation, be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.</p>

Existing Clause 102 to be re-numbered to 103

104	<p data-bbox="118 517 148 1032"><u>Existing Clause 103 to be re-numbered to 104</u></p> <p data-bbox="118 1075 395 1870">(1) Subject to the Central Depositories Act and the Rules, when there are joint-holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, and if more than one (1) of such joint-holders be present at any meeting personally or by proxy, the person whose name stands first on the Register or to the extent permissible under the Central Depositories Act and the Rules, on the Record of Depositors in respect of such share shall alone be entitled to vote in respect thereof.</p> <p data-bbox="427 1075 794 1870">(2) A member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person as properly has the management of his estate, and any such committee or other person may vote by proxy or attorney. Any person entitled under Clause 47 to transfer any shares, may vote at any general meeting in the same manner as if he was the registered holder of such shares provided that he shall satisfy the Directors of his right to transfer such shares, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof, at least forty-eight (48) hours prior to the time of the meeting or adjourned meeting, at which he proposes to vote.</p> <p data-bbox="826 1075 978 1870">(3) The lodgement of the evidence may be in the electronic form, to the electronic address provided by the Company for this purpose provided that the evidence can be accessed at the Office. Any lodgement done through electronic means in accordance with this clause shall be deemed to be a lodgement at the Office.</p>
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	<p>(4) The legal personal representative of a deceased member or the person entitled under Clauses 47 to 56 to any share in consequence of the death or bankruptcy of any member may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares provided that forty-eight (48) hours at least before the time of holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to any share in consequence of the death or bankruptcy of any member unless the Directors shall have previously admitted his right to vote in respect thereof.</p>	
105	No person shall be entitled to be present or to vote on any resolution either as a member or otherwise as a proxy or attorney or representative for a corporation at any general meeting or demand a poll or be reckoned in the quorum in respect of any shares upon which calls are due and unpaid.	<u>Existing Clause 104 to be re-numbered to 105</u>
106	A Power of Attorney or a certified copy thereof or the instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing. An instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointor.	<u>Existing Clause 105 to be re-numbered to 106</u>
107	No objection shall be raised in respect of the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the Chairman at the meeting, whose decision shall be final and conclusive.	<u>Existing Clause 106 to be re-numbered to 107</u>
107	The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.	<u>DELETED</u>

	A proxy may vote only as directed in the proxy form. However, if the appointor or representative attend and vote on a resolution, the proxy or attorney must not vote.	
110	<p>The instrument appointing a proxy, with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting, as the case may be, at which the person named as proxy in such instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.</p> <p>The appointment of proxy may be in the electronic form, deposited to the electronic address provided by the Company for this purpose. Provided That the instrument of appointing proxy can be accessed at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting. Any lodgement done through electronic means in accordance with this clause shall be deemed to be a lodgement at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting.</p>	<p>The instrument appointing a proxy, with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting, as the case may be, at which the person named as proxy in such instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.</p> <p>The appointment of proxy may be in the electronic form that the Directors prescribe or accept, deposited to the electronic address provided by the Company for this purpose. Provided That the instrument of appointing proxy can be accessed at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting. Any lodgement done through electronic means in accordance with this clause shall be deemed to be a lodgement at the Office or at such other place within Malaysia as is specified for that purpose in the notice convening the meeting.</p>
111	<p>(1) The communication between the Company and its members relating to meetings and resolutions, supply of information or documents or otherwise for purpose of complying with the Act, may be:</p> <p>(a) in hard copy;</p> <p>(b) in electronic form; or</p> <p>(c) by other methods agreed between the Company and members.</p> <p>(2) Subject to the Act and the Listing Requirements, the Directors or any agent of the Company so authorised by the Directors, may accept the appointment of proxy received by electronic communication on such terms and subject to such conditions as</p>	<p>(1) The communication between the Company and its members relating to meetings and resolutions, supply of information or documents or otherwise for purpose of complying with the Act, may be:</p> <p>(a) in hard copy;</p> <p>(b) in electronic form; or</p> <p>(c) by other methods agreed between the Company and members.</p> <p>(2) Subject to the Act and the Listing Requirements, the Directors or any agent of the Company so authorised by the Directors, may accept the appointment of proxy received by electronic communication or electronic means using any technology or</p>

	<p>they consider fit. The appointment of proxy by electronic communication shall be in accordance with this Clause.</p> <p>(3) For the purpose of Clause 109, the Directors may require such reasonable evidence they consider necessary to determine:-</p> <p>(a) the identity of the member and the proxy; and</p> <p>(b) where the proxy is appointed by a person acting on behalf of the member, the authority of that person to make the appointment.</p> <p>(4) Without prejudice to Clause 110, the appointment of proxy by electronic communication must be received at the electronic address specified by the Company in any of the following sources and shall be subject to any terms, conditions or limitations specified therein:-</p> <p>(a) Notice calling the meeting;</p> <p>(b) Instrument of proxy sent out by the Company in relation to the meeting; or</p> <p>(c) Website maintained by or on behalf of the Company.</p> <p>(5) An appointment of proxy by electronic communication must be received at the electronic address specified by the Company pursuant to Clause 110 not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote, and in default the instrument of proxy shall not be treated as valid.</p> <p>(6) An appointment of proxy by electronic communication which is not made in accordance with this Clause shall be invalid.</p> <p>(7) The Company may determine the manner and procedures for the use of electronic communication received or sent by the Company which is authorised to be used in this Clause or under the Act.</p>	<p><u>method that enables the appointment of proxy</u> on such terms and subject to such conditions as they consider fit. The appointment of proxy by electronic communication <u>or electronic means</u> shall be in accordance with this Clause.</p> <p>For the purpose of Clause 109, the Directors may require such reasonable evidence they consider necessary to determine: -</p> <p>(a) the identity of the member and the proxy; and</p> <p>(b) where the proxy is appointed by a person acting on behalf of the member, the authority of that person to make the appointment.</p> <p>(4) Without prejudice to Clause 110, the appointment of proxy by electronic communication <u>or by any electronic means</u> must be received at the electronic address <u>or any online portal, website, mobile application, or any other platform</u> specified by the Company in any of the following sources and shall be subject to any terms, conditions or limitations specified therein: -</p> <p>(a) Notice calling the meeting;</p> <p>(b) Instrument of proxy sent out by the Company in relation to the meeting; or</p> <p>(c) Website maintained by or on behalf of the Company.</p> <p>(5) An appointment of proxy by electronic communication <u>or electronic means</u> must be received at the electronic address <u>or any online portal, website, mobile application, or any other platform</u> specified by the Company pursuant to Clause 110 not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote, and in default the instrument of proxy shall not be treated as valid.</p> <p><u>(6) If the instrument or form is otherwise unclear or incomplete, the Company may:</u></p>
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112	<p>A vote given in accordance with the terms of an instrument of proxy or attorney shall be valid, notwithstanding the previous death or unsoundness of mind of the principal or revocation of the instrument of proxy, or of the authority which the instrument of proxy was executed, or the transfer of the share in respect of which the instrument of proxy is given provided that no intimation in writing of such death, unsoundness of mind, revocation or transfer shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting (or in the case of a poll, before the time appointed for the taking of the poll) at which the instrument is used.</p>	<p><u>A member is permitted to give the Company notice of revocation of a person's authority to act as proxy not less than forty-eight (48) hours before the time appointed for holding the meeting. The notice of revocation must be in writing and be deposited at the Office or any other designated office or by electronic communication, be sent to the electronic address which specified by the Company as indicated in the form of proxy.</u></p>
112A	NEW	<p><u>Subject to the provisions of the Act and the Listing Requirements, the Directors may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail, facsimile.</u></p>

165A	NEW	<p><u>Any register, index, minute book, accounting record or other book pursuant to the Act or the provisions of this Constitution to be kept by or on behalf of the Company may, subject to and in accordance with the Act, be kept either in hard copy form or in electronic form, and arranged in the manner that the Directors think fit. If such records are kept in electronic form, the Directors shall ensure that they are capable of being reproduced in hard copy form, and shall provide for the manner in which the records are to be authenticated and verified. In any case where such records are kept otherwise than in hard copy form, the Directors shall take reasonable precautions for ensuring the proper maintenance and authenticity of such records, guarding against falsification and for facilitating discovery.</u></p>
183		<p>Subject to the provisions of the Listing Requirements, the Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the income statement or otherwise available for distribution, and accordingly that such sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. The amount standing to the credit of the share premium account may, for the purposes of this Constitution, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares and to provide the consideration for the purchase of the shares of the Company or any other manner as provided in the Act. The Company may also use the amount standing to the credit of the capital redemption reserve account, to be applied only in paying up of unissued shares to be issued to members of the Company as fully paid bonus shares in accordance with the Act.</p> <p><u>The Directors may, with the sanction of an ordinary resolution of the Company: -</u></p> <p>(1) <u>issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) the Record of Depositors at the close of business on: -</u></p> <p>(a) <u>the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided);</u> <u>or</u> (b) <u>such other date as may be determined by the Directors,</u> <u>in the proportion to their holdings of shares; and/or</u></p> <p>(2) <u>capitalise any sum standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register or (as the case may be) in the Record of Depositors at the close of business on:</u></p> <p>(a) <u>the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided);</u> <u>or</u></p>

	<p><u>(b) such other date as may be determined by the Directors, in proportion to their holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.</u></p> <p><u>The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue or capitalisation under this Clause, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.</u></p> <p><u>In addition and without prejudice to the power to capitalise profits and other moneys provided for by this Clause, the Directors shall have the power to issue shares for which no consideration is payable and to capitalise any undistributable profits or other monies of the Company not required for the payment or provision of any dividends on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other monies carried and standing to any reserve or reserves) and to apply such profits or other monies in paying up in full, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share option scheme or plan implemented by the Company and approved by Members in general meeting and on such terms as the Directors shall think fit.</u></p>
197A	<p>NEW</p> <p><u>For the avoidance of doubt, any document or instrument transmitted by any technology purporting to include a signature and / or electronic or digital signature of any of the following persons:</u></p>

		<p>(1) <u>a holder of shares;</u></p> <p>(2) <u>a Director;</u></p> <p>(3) <u>an alternate Director;</u></p> <p>(4) <u>in the case of a corporation, which is a holder of shares, its Director or Secretary or a duly appointed attorney or duly authorised representative;</u></p> <p><u>shall in the absence of express evidence to the contrary available to the person relying on such document or instrument at the relevant time, be deemed to be a document or instrument signed by such person in the terms in which it is received.</u></p>
208	<p>Save as may be provided by the Act, no member shall be entitled to require discovery of any information respecting any detail of the Company's trade or any matter which may be in the nature of trade or secret process which may relate to the conduct of business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Company to communicate to the public save as may be authorized by law.</p>	<p>(1) <u>Save as may be provided by the Act, no member shall be entitled to enter into or inspect any premises or property of the Company or to require disclosure of any information in respect of any detail of the Company's trading, manufacturing or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the members to communicate to the public.</u></p> <p>(2) <u>Directors or officers of the Company shall be entitled, if he thinks fit, to decline to answer any questions concerning the business of the Company which may be put to him on any occasion (including during any meeting of the Company) on the ground that the answer to such question would disclose or tend to disclose the trade secrets of the Company.</u></p>