

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

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF KAWAN FOOD BERHAD (“**KAWAN**” OR “**THE COMPANY**”) HELD AT LOT 129351, JALAN SUNGAI PINANG 4/19, TAMAN PERINDUSTRIAN PULAU INDAH, SELANGOR HALAL HUB, FASA 2C, 42920, PULAU INDAH, SELANGOR DARUL EHSAN, MALAYSIA ON WEDNESDAY, 15 NOVEMBER 2023 AT 10.30 A.M.

PRESENT:-

DIRECTORS

Ms Gan Ka Bien	- Chairperson, also a proxy for shareholders set out in the Attendance Summary attached
Mr Gan Thiam Hock	- Also a Shareholder
Mdm Kwan Sok Kay	
Dr Nik Ismail Bin Nik Daud	
Mr Lim Hun Soon @ David Lim	- Also a Shareholder
Mr Eugene Hon Kah Weng	
Encik Abdul Razak Bin Shakor (Joined remotely)	

ABSENT WITH APOLOGIES

Mr Gan Thiam Chai	- Executive Chairman
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IN ATTENDANCE

Ms Tai Yuen Ling	- Company Secretary
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BY INVITATION

As Per Attendance List

The list of shareholders and proxies who attended the Meeting is set out in the Attendance Lists attached and shall form an integral part of this Minutes.

1. CHAIRPERSON

Ms Gan Ka Bien extended a warm welcome to the shareholders, proxies and invitees (“Participants”) present at the Company’s Extraordinary General Meeting (“EGM”).

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Ms Gan Ka Bien informed that the Chairman of the Board, Mr Gan Thiam Chai has sent his apologies for not being able to attend this Meeting as he is in overseas. With the consent of the Board, Ms Gan Ka Bien was elected as the Chairperson of this Meeting pursuant to Clause 85 of the Company's Constitution.

2. QUORUM

The Secretary confirmed that a quorum was present. With the requisite quorum being present, the Meeting was called to order at 10.30 a.m.

3. SUMMARY OF PROXIES RECEIVED

The Company Secretary further informed that the Company had received in total 90 proxy forms from the shareholders for a total of 166,703,092 shares representing 45.9766% of the issued shares capital of the Company.

Out of those, there were 48 shareholders who had appointed the Chairperson of the Meeting as their proxy to vote on their behalf and the shares so represented stood at 161,255,448, representing 44.4742% of the issued shares capital of the Company.

4. INTRODUCTION OF BOARD MEMBERS

The Chairperson then introduced the Board of Directors, Company Secretary, the representative of RHB Investment Bank Berhad, the Principal Adviser of the Company, and the Solicitors representing Lin Partnership to the Participants.

5. NOTICE

With the consent of the members present, the Notice convening the Meeting having been circulated for the prescribed period was taken as read. The Chairperson then proceeded with the business of the EGM.

The Chairperson encouraged the shareholders and/or proxies to participate, speak and vote at the EGM.

6. VOTING PROCEDURES

The Participants noted that all resolutions set out in the Notice of the EGM must be voted by poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The Chairperson then demands that a poll be taken on all the resolutions set out in the Notice of the EGM pursuant to the Company’s Constitution.

The Chairperson also informed that the Company has appointed Boardroom Share Registrars Sdn Bhd to conduct the poll by way of electronic voting (“e-Voting”) and Sky Corporate Services Sdn Bhd as the independent scrutineer to verify the poll results.

The Chairperson further informed that the polling process will be conducted upon the conclusion of the deliberations of all items on the Agenda.

7. PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY
- Special Resolution 1

The Chairperson informed that Special Resolution 1 on the First Agenda was to seek Shareholders’ approval on the proposed amendments to the Company’s Constitution. The rationale for the proposed amendment to the Company’s Constitution is to enable the Non-Executive Directors of the Company to participate in the Employees’ Share Option Scheme (“ESOS”).

The Participants noted that the details of the proposed amendment to the Company’s Constitution had been set out in the Circular to Shareholders dated 24 October 2023.

8. PROPOSED AMENDMENTS TO THE BY-LAWS GOVERNING THE ESOS (BY-LAWS) OF THE COMPANY
- Ordinary Resolution 1

The Chairperson informed that Ordinary Resolutions 1 was to seek shareholders’ approval for the proposed amendments to the By-Laws governing the ESOS. The rationale for the proposed amendment to the By-Laws is to facilitate the allocation of ESOS Options to the Non-Executive Directors of the Company.

The Participants noted that the details of the proposed amendments to the By-Laws had been set out in the Circular to Shareholders dated 24 October 2023.

9. PROPOSED GRANT OF ESOS OPTIONS TO THE INDEPENDENT NON-EXECUTIVE DIRECTORS AND NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

- Ordinary Resolutions 2 to 5

The Chairperson informed that Ordinary Resolutions 2, 3, 4 and 5 were to seek shareholders' approval to offer and grant the ESOS options to Dr Nik Ismail Bin Nik Daud, Mr Lim Hun Soon @ David Lim, Mr Eugene Hon Kah Weng and Mr Abdul Razak Bin Shakor, to subscribe for new ordinary shares in the Company, subject to the passing of Special Resolution 1 and Ordinary Resolution 1 mentioned earlier. The rationale for the Proposed Grant of ESOS Options to the Non-Executive Directors is to recognise the contribution of the Non-Executive Directors to the Company in respect of their responsibilities as Non-Executive Directors as they provide valuable experience to the Board, which is vital to the direction, strategies, and governance of the Group.

Ordinary Resolution 2 was to seek shareholders' approval for the proposed grant of ESOS Options to Dr Nik Ismail Bin Nik Daud, the Senior Independent Non-Executive Director of the Company to subscribe for new ordinary shares in the Company.

As Dr Nik Ismail Bin Nik Daud would be entitled to the allocation under the ESOS and is therefore deemed interested in this Agenda item, Dr Nik Ismail Bin Nik Daud and persons connected to him shall abstain from voting on this resolution in respect of their direct and indirect shareholdings in the Company.

Ordinary Resolution 3 was to seek shareholders' approval for the proposed grant of ESOS Options to Mr Lim Hun Soon @ David Lim, the Independent Non-Executive Director of the Company to subscribe for new ordinary shares in the Company.

As Mr Lim Hun Soon @ David Lim would be entitled to the allocation under the ESOS and is therefore deemed interested in this Agenda item, Mr Lim Hun Soon @ David Lim and persons connected to him shall abstain from voting on this resolution in respect of their direct and indirect shareholdings in the Company.

Ordinary Resolution 4 was to seek shareholders' approval for the proposed grant of ESOS Options to Mr Eugene Hon Kah Weng, the Independent Non-Executive Director of the Company to subscribe for new ordinary shares in the Company.

As Mr Eugene Hon Kah Weng would be entitled to the allocation under the ESOS and is therefore deemed interested in this Agenda item, Mr Eugene Hon Kah Weng and persons connected to him shall abstain from voting on this resolution in respect of their direct and indirect shareholdings in the Company.

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Ordinary Resolution 5 was to seek shareholders' approval for the proposed grant of ESOS Options to Mr Abdul Razak Bin Shakor, the Non-Independent Non-Executive Director of the Company to subscribe for new ordinary shares in the Company.

As Mr Abdul Razak Bin Shakor would be entitled to the allocation under the ESOS and is therefore deemed interested in this Agenda item, Mr Abdul Razak Bin Shakor and persons connected to him shall abstain from voting on this resolution in respect of their direct and indirect shareholdings in the Company.

The Participants noted that the details of the proposed grant of ESOS options had been set out in the Circular to Shareholders dated 24 October 2023.

10. PROPOSED WAIVER FROM THE SHAREHOLDERS TO WAIVE THEIR PRE-EMPTIVE RIGHTS UNDER SECTION 85 OF THE COMPANIES ACT 2016 AND CLAUSE 64 OF THE CONSTITUTION

- Ordinary Resolution 6

Ordinary Resolution 6 was to obtain shareholders' approval to waive the statutory pre-emptive rights of the shareholders of the Company pursuant to Section 85(1) of the Companies Act 2016 ("Act") and Clause 64 of the Company's Constitution in respect of the new Shares to be allotted and issued by the Company pursuant to the ESOS and the issuance of such new Shares of the Company will result in a dilution to their shareholding percentage in the Company.

11. QUESTIONS AND ANSWERS

The Chairperson welcomed questions from shareholders and Proxy holders. In summary, the following are the questions raised by the members/proxies and responses by the Company:-

- What is the purpose of granting ESOS options to Independent Non-Executive Directors and/or Non-Independent Non-Executive Directors?

Kawan's response:

The proposed grant of ESOS Options to the Non-Executive Directors is to recognize the contribution of the Non-Executive Directors to the Company in respect of their responsibilities as Non-Executive Directors as they provide valuable experience to the Board, which is vital to the governance and strategies of the Group.

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- At the 19th Annual General Meeting of the Company held on 21 June 2023 (“19th AGM”), the Participants had approved the ESOS options to Executive Directors, why the Company does not propose to grant ESOS options to Non-Executive Directors at 19th AGM?

Kawan’s response:

That is because the existing Constitution does not facilitate the granting of the ESOS Options to the Non-Executive Directors. Therefore, in this EGM, the Company is proposing to the amendment to the Constitution to enable the Non-Executive Directors of the Company to participate in the ESOS.

- What is the amount of shares will be given to Non-Executive Directors?

Kawan’s response:

The allocation of shares to the Non-Executive Directors has not been determined in this junction and will be determined by the ESOS Committee subsequently. However, according to the Circular dated 24 October 2023, the maximum allocation of shares to each Non-Executive Director will be up to 1 million shares.

- I believe the Board are aware that the Company is facing numbers of challenges because of the global environment, so is this the right timing for the Company to grant new ESOS options to the Independent Directors?

Kawan’s response:

It is difficult to determine when the timing is appropriate, and there may never be a right time. Independent and Non-Executive directors' contributions play a very important role in improving shareholder value. So the more important question is whether the granting of the ESOS options to Independent Non-Executive Directors and Non-Independent Non-Executive Director better aligns them to act in the best interest of the Company and its shareholders.

12. POLLING AND VOTING

The Meeting proceeded to voting on the above resolutions via e-Voting. The Chairperson directed that the registration of the shareholders and proxies for this Meeting is closed at 11.46 a.m..

The Chairperson placed on record that several shareholders have appointed her to be their proxy and she will vote according to their instructions. She also informed that the Meeting will be adjourned to enable the poll administrators and scrutineers to conduct the voting. The Meeting will resume in 25 minutes once the results are ready for the declaration of voting results.

The Chairperson then proceeded to invite the shareholders and proxies to cast their votes at the e-voting kiosk outside the auditorium hall. The Chairperson also asked the Meeting to resume back to the hall to wait for the results after voting.

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13. POLL RESULTS

The Chairperson called the Meeting to order at 12.23 p.m. and invited scrutineer to announced the results of the poll for all the resolutions, as follows:-

RESOLUTION	VOTES FOR		VOTES AGAINST		RESULT
	No. of shares	%	No. of shares	%	
Special Resolution 1 Proposed amendments to the Constitution.	166,130,333	82.0610	36,316,981	17.9390	Carried
Ordinary Resolution 1 Proposed amendments to the By-Laws.	165,252,095	81.6272	37,195,219	18.3728	Carried
Ordinary Resolution 2 Proposed grant of ESOS options to Dr Nik Ismail Bin Nik Daud (Senior Independent Non-Executive Director).	165,252,311	81.6273	37,195,003	18.3727	Carried
Ordinary Resolution 3 Proposed grant of ESOS options to Lim Hun Soon @ David Lim (Independent Non-Executive Director).	161,615,583	81.2914	37,194,703	18.7086	Carried
Ordinary Resolution 4 Proposed grant of ESOS options to Eugene Hon Kah Weng (Independent Non-Executive Director).	165,251,611	81.6270	37,195,703	18.3730	Carried
Ordinary Resolution 5 Proposed grant of ESOS options to Abdul Razak Bin Shakor (Non-Independent Non-Executive Director).	165,251,611	81.6270	37,195,703	18.3730	Carried
Ordinary Resolution 6 Proposed waiver.	171,935,963	84.9287	30,511,351	15.0713	Carried

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Based on the results of the poll voting, the Chairperson declared the following resolutions as **CARRIED AND RESOLVED:-**

SPECIAL RESOLUTION 1

"THAT approval be and is hereby given for the Directors of the Company to amend, modify and/or vary the existing Clause 10(4) of the Constitution of the Company as set out in Section 2.1 of the circular to shareholders of the Company in relation to the Proposed Amendments to Constitution dated 24 October 2023 with immediate effect;

AND THAT the Board of Directors of Kawan Food ("Board") be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary or expedient in order to implement, finalise and give effect to the Proposed Amendments to Constitution with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company."

ORDINARY RESOLUTION 1

"THAT subject to the passing of Special Resolution 1, approval be and is hereby given to the Directors of the Company to amend, modify and/or vary the existing by-laws governing the ESOS of Kawan Food as set out in Section 2.2 of the Company's circular to shareholders in relation to the Proposed Amendments to By-Laws dated 24 October 2023;

AND THAT the Board be and is hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements (including without limitations, the affixation of the Company's Common Seal in accordance with the Company's Constitution) as may be necessary or expedient in order to implement, finalise and give effect to the Proposed Amendments to By-Laws with full powers to assent to any condition, modification, variation and/or amendment in any manner as may be required or imposed by the relevant authorities or as the Board may deem necessary or expedient in the best interest of the Company."

ORDINARY RESOLUTIONS 2 TO 5

"THAT subject to the passing of Special Resolution 1 and Ordinary Resolution 1 as well as the approvals of all relevant authorities and/or parties being obtained, approval be and is hereby given to the Board to authorise the ESOS committee, at any time and

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from time to time throughout the duration of the ESOS, to offer and grant to the following persons, ESOS options ("ESOS Options") to subscribe for new ordinary shares in Kawan Food ("Kawan Food Shares" or "Shares") under the ESOS:

- (i) Dr Nik Ismail Bin Nik Daud (Senior Independent Non-Executive Director)
 - Ordinary resolution 2
- (ii) Lim Hun Soon @ David Lim (Independent Non-Executive Director)
 - Ordinary resolution 3
- (iii) Eugene Hon Kah Weng (Independent Non-Executive Director)
 - Ordinary resolution 4
- (iv) Abdul Razak Bin Shakor (Non-Independent Non-Executive Director)
 - Ordinary resolution 5

Provided always that:

- (i) the abovementioned persons must not participate in the deliberation and/or discussion of their own respective allocation;
- (ii) not more than 10% of the total number of new Shares to be issued under the ESOS would be allocated to any one of the abovementioned persons who, either singly or collectively through persons connected to them, holds 20% or more of the total number of issued shares of the Company; and
- (iii) the allocation of ESOS Options to the abovementioned persons shall be subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws, the Main Market Listing Requirements of Bursa Securities, or any prevailing guidelines issued by Bursa Securities, as amended from time to time.

THAT at any one time during the duration of the ESOS, not more than 80% of the total number of ESOS Options available under the ESOS could be allocated, in aggregate to the Directors, including nonexecutive Directors and senior management of Kawan Food and its subsidiaries (excluding dormant subsidiaries, if any) pursuant to the ESOS;

THAT the Board is also authorised to issue and allot the corresponding number of new Shares arising from the exercise of the ESOS Options that may be granted to them under the ESOS;

AND THAT pursuant to Section 85(1) of the Act read together with Clause 64 of the Company's Constitution, approval be and is hereby given to waive the pre-emptive rights of the existing shareholders of the Company to be offered new Kawan Food Shares ranking equally to the existing issued Shares of the Company arising from the issuance and allotment of the new Shares to be issued pursuant to the exercise of the ESOS Options granted under the ESOS."

ORDINARY RESOLUTION 6

"THAT the Board had on 31 May 2018 at the Extraordinary General Meeting obtained the approval from the shareholders for the authority to establish the ESOS of up to 15% of the total number of issued Shares of the Company from time to time (excluding

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treasury shares, if any) for the benefit of eligible executive Directors and employees of Kawan Food and its subsidiaries (excluding dormant subsidiaries, if any);

THAT pursuant to Section 85(1) of the Act to be read together with Clause 64 of the Company's Constitution, all new Shares or other convertible securities in the Company shall, before they are issued, be first offered to such persons who are entitled to receive notices from the Company of general meetings as at the date of the offer in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled ("Pre-emptive Rights");

AND THAT should this resolution be passed by the shareholders of the Company, this resolution shall have the effect of the shareholders having agreed to irrevocably waive their Pre-emptive Rights pursuant to Section 85(1) of the Act and Clause 64 of the Company's Constitution in respect of the new Shares to be allotted and issued by the Company pursuant to the ESOS and the issuance of such new Shares of the Company will result in a dilution to their shareholding percentage in the Company."

14. CONCLUSION

There being no other business to be transacted, the Meeting concluded at 12.28 p.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

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CHAIRPERSON

Date: