

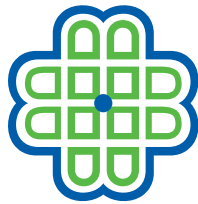
THIS CIRCULAR/STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

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 independent adviser immediately.

In relation to Part A of this Circular/Statement, Bursa Malaysia Securities Berhad (“**Exchange**”) has only perused the contents of the proposed new shareholders’ mandate for recurrent related party transactions of a revenue or trading nature on a limited review basis pursuant to the provisions of Practice Note 18 of the Exchange’s Main Market Listing Requirements (“**Listing Requirements**”).

The Exchange has not perused the contents of the proposed renewal of existing shareholders’ mandate and Part B of this Circular/Statement prior to its issuance as they are prescribed as exempt documents pursuant to Practice Note 18 of the Listing Requirements.

The Exchange 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.



BERJAYA

BERJAYA FOOD BERHAD

[Registration No. 200901032946 (876057-U)]

(Incorporated in Malaysia)

CIRCULAR/STATEMENT TO SHAREHOLDERS

in relation to the

PART A

PROPOSED RENEWAL OF AND NEW SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

PART B

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

Notice of the Fourteenth Annual General Meeting (“**AGM**”) which will be conducted on a virtual basis through live streaming from the broadcast venue at Manhattan V, Level 14, Berjaya Times Square Hotel Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur on Wednesday, 13 December 2023 at 10.00 a.m. or any adjournment thereof via the Remote Participation and Voting (“**RPV**”) facilities to be provided by the Poll Administrator of the Company, SS E Solutions Sdn Bhd via its e-Portal at <https://sshsb.net.my/> together with the Form of Proxy and Administrative Guide are available on the Company’s website at www.berjaya.com/berjaya-food/ and/or the Exchange’s website at www.bursamalaysia.com.

If you decide to appoint a proxy to participate and vote remotely via the RPV facilities on your behalf at the AGM, the Form of Proxy shall be executed and deposited at the Company’s Registered Office at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur OR alternatively, the Form of Proxy may be submitted electronically via Securities Services e-Portal at <https://sshsb.net.my/> not less than forty-eight (48) hours before the time fixed for the AGM. The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the AGM of the Company should you subsequently wish to do so. Shareholders/proxy(ies) from the public will not be allowed to be physically present at the broadcast venue on the day of the AGM.

This Circular/Statement is dated 26 October 2023.

DEFINITIONS

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

“7-Eleven”	: 7-Eleven Malaysia Sdn Bhd
“7-Eleven Holdings”	: 7-Eleven Malaysia Holdings Berhad
“Act”	: The Companies Act 2016, including any amendment that may be made thereto from time to time
“AGM”	: Annual General Meeting
“Annual Report 2023”	: The annual report of BFood for the financial year ended 30 June 2023
“B&B”	: B & B Enterprise Sdn Bhd
“BAssets”	: Berjaya Assets Berhad
“BBright”	: Berjaya Bright Sdn Bhd
“BCorporation”	: Berjaya Corporation Berhad
“BFood” or “Company”	: Berjaya Food Berhad
“BFood Group” or “Group”	: BFood and its subsidiary companies
“BFood Shares”	: Ordinary shares in BFood
“BFI”	: Berjaya Food (International) Sdn Bhd
“BFT”	: Berjaya Food Trading Sdn Bhd
“BGroup”	: Berjaya Group Berhad
“BInfrastructure”	: Berjaya Infrastructure Sdn Bhd
“BLand”	: Berjaya Land Berhad
“BMedia”	: Berjaya Media Berhad
“Board”	: Board of Directors of BFood
“BRetail”	: Berjaya Retail Sdn Bhd
“BRoasters”	: Berjaya Roasters (M) Sdn Bhd
“BStarbucks”	: Berjaya Starbucks Coffee Company Sdn Bhd
“BTSSB”	: Berjaya Times Square Sdn Bhd
“Code”	: Malaysian Code on Take-Overs and Mergers 2016 (including the Rules on Take-Overs, Mergers and Compulsory Acquisitions)
“CSSSB”	: Convenience Shopping (Sabah) Sdn Bhd

DEFINITIONS (*Cont'd*)

- “CTSL” : Ms. Chryseis Tan Sheik Ling
- “Director” : Has the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 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 or a chief executive officer of BFood, its subsidiary or holding company
- “EGM” : Extraordinary General Meeting
- “EPS” : Earnings per share
- “Exchange” : Bursa Malaysia Securities Berhad
- “Family” : In relation to a person means such person who falls within any one of the following categories:-
- (a) spouse;
 - (b) parent;
 - (c) child including an adopted child and step-child;
 - (d) brother or sister; and
 - (e) spouse of the person referred to in subparagraphs (c) and (d) above
- “HQZ” : HQZ Credit Sdn Bhd
- “HRESB” : Hotel Resort Enterprise Sdn Bhd
- “Listing Requirements” : Exchange’s Main Market Listing Requirements, including any amendment that may be made from time to time
- “LPD” : 2 October 2023, being the latest practicable date prior to the printing of this Circular/Statement
- “Major Shareholder” : A person who has an interest or interests in one or more voting shares in BFood and the number or aggregate number of those shares, is:-
- (a) 10% or more of the total number of voting shares in BFood; or
 - (b) 5% or more of the total number of voting shares in BFood where such person is the largest shareholder of BFood.
- For the purpose of this definition, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act. A 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 major shareholder of BFood or any other company which is its subsidiary or holding company
- “MOL.com” : MOL.com Sdn Bhd
- “NA” : Net assets attributable to ordinary equity holders of BFood

DEFINITIONS (*Cont'd*)

- “Person(s) Connected” : In relation to a Director or a Major Shareholder, means such person who falls under any one of the following categories:-
- (i) a Family of the Director or Major Shareholder;
 - (ii) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the Director, Major Shareholder or a Family of the Director or Major Shareholder, is the sole beneficiary;
 - (iii) a partner of the Director or Major Shareholder;
 - (iv) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the Director or Major Shareholder;
 - (v) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the Director or Major Shareholder is accustomed or is under an obligation, whether formal or informal, to act;
 - (vi) a body corporate in which the Director, Major Shareholder or Persons Connected with him are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
 - (vii) a body corporate which is a related corporation of the Director or Major Shareholder
- “Prevailing Laws” : Any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities
- “Proposed Mandate” : Proposed renewal of and new shareholders’ mandate for the BFood Group to enter into Recurrent Related Party Transactions in the ordinary course of business
- “Proposed Share Buy-Back” : Proposed renewal of authority for BFood to purchase and/or hold BFood Shares of up to 10% of the total number of issued shares of the Company inclusive of 193,364,250 BFood Shares that have been purchased and retained as Treasury Shares as at the LPD
- “RAP(M)” : Roasters Asia Pacific (M) Sdn Bhd
- “Recurrent Related Party Transactions” : Transactions which are recurrent, of a revenue or trading nature and which are necessary for the day-to-day operations of the BFood Group and involve the interests, direct or indirect, of Related Parties
- “Related Party(ies)” : A Director, Major Shareholder or a Person Connected with such Director or Major Shareholder

DEFINITIONS (*Cont'd*)

“RM” and “sen”	: Ringgit Malaysia and sen respectively
“Shares Purchased”	: BFood Shares purchased under the Proposed Share Buy-Back
“Sun Media”	: Sun Media Corporation Sdn Bhd
“Treasury Shares”	: BFood Shares purchased by BFood which are/will be retained in treasury
“TSVT”	: Tan Sri Dato’ Seri Vincent Tan Chee Yioun
“TTC”	: Mr. Tan Thiam Chai
“U Telemedia”	: U Telemedia Sdn Bhd

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EXTRACT OF RESOLUTIONS TO BE TABLED AT THE BFOOD ENCLOSED FOURTEENTH AGM

PART A

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

BERJAYA FOOD BERHAD
[Registration No. 200901032946 (876057-U)]
(Incorporated in Malaysia)

Registered Office:

Lot 13-01A, Level 13 (East Wing),
Berjaya Times Square,
No. 1 Jalan Imbi,
55100 Kuala Lumpur.

26 October 2023

Board of Directors:

Dato' Seri Diraja Tunku Shazuddin Ariff Ibni Sultan Sallehuddin
(Chairman/Independent Non-Executive Director)
Dato' Sydney Lawrance Quays *(Chief Executive Officer)*
Tan Thiam Chai *(Non-Independent Non-Executive Director)*
Chryseis Tan Sheik Ling *(Non-Independent Non-Executive Director)*
Dato' (Dr) Mustapha Bin Abd Hamid *(Non-Independent Non-Executive Director)*
Datin Chee Yoke Kuan *(Independent Non-Executive Director)*
Wan Nor Aida Binti Wan Azmi *(Independent Non-Executive Director)*

To: Shareholders of BFood

Dear Sir/Madam,

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

1.0 INTRODUCTION

- 1.1 The Board had on 11 October 2023 announced its intention to seek shareholders' approval for the proposed renewal of and new shareholders' mandate for Recurrent Related Party Transactions.
- 1.2 The purpose of this Circular is to provide you with the relevant information on the Proposed Mandate and to seek your approval for the ordinary resolution to be tabled at the forthcoming AGM of the Company. The Notice of AGM is set out in the Annual Report 2023. The extract of the ordinary resolution on the Proposed Mandate to be tabled at the forthcoming AGM is enclosed together with this Circular.

2.0 DETAILS OF THE PROPOSED MANDATE

2.1 The Proposed Mandate

- 2.1.1 The Company had on 14 December 2022 obtained its shareholders' mandate for the BFood Group to enter into Recurrent Related Party Transactions on terms that are not more favourable to the Related Parties than those generally available to the public. The approval shall in accordance with the Listing Requirements lapse at the conclusion of the forthcoming AGM of the Company scheduled on 13 December 2023 unless approval for its renewal is obtained from the shareholders of the Company at the forthcoming AGM.

2.1.2 Pursuant to Paragraph 10.09(1)(a) of the Listing Requirements, BFood must immediately announce a Recurrent Related Party Transaction where:-

- (i) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transaction is RM1 million or more; or
- (ii) the percentage ratio of such Recurrent Related Party Transaction is 1% or more, whichever is the higher.

In addition, Paragraph 10.08(2) of the Listing Requirements states that where any one of the percentage ratios of a related party transaction is 5% or more, BFood must issue a circular to its shareholders, obtain specific shareholders' approval for the transaction and appoint an independent adviser. Further, Paragraph 10.08(4) of the Listing Requirements states that where any one of the percentage ratios is 25% or more, in addition to the foregoing, BFood must appoint a main adviser.

2.1.3 Pursuant to Paragraph 10.09(2) of the Listing Requirements, BFood may seek a shareholders' mandate in respect of Recurrent Related Party Transactions subject to the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (ii) 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 aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Listing Requirements;
- (iii) the BFood's circular to shareholders for the shareholders' mandate includes the information as may be prescribed by the Exchange. The draft circular must be submitted to the Exchange together with a checklist showing compliance with such information;
- (iv) in a meeting to obtain shareholders' mandate, the interested Director, interested Major Shareholder or interested Person Connected with a Director or Major Shareholder; and where it involves the interest of an interested Person Connected with a Director or Major Shareholder, such Director or Major Shareholder must not vote on the resolution to approve the transactions. An interested Director or interested Major Shareholder must ensure that Persons Connected with him abstain from voting on the resolution approving the transactions; and
- (v) BFood immediately announces to the Exchange when the actual value of a Recurrent Related Party Transaction entered into by the BFood Group exceeds the estimated value of the Recurrent Related Party Transaction disclosed in the Circular by 10% or more and must include the information as may be prescribed by the Exchange in its announcement.

Where BFood has procured a shareholders' mandate pursuant to the above, the provisions of the Listing Requirements as set out in Section 2.1.2 above shall not apply.

Transactions entered into between BFood (or any of its wholly-owned subsidiary companies) and its wholly-owned subsidiary companies are excluded from the requirements of Part E of Chapter 10 of the Listing Requirements.

2.1.4 The Proposed Mandate, if approved by the BFood shareholders at the forthcoming AGM, will take effect from the date of passing of the ordinary resolution at the forthcoming AGM and shall continue to be in force until:-

- (i) the conclusion of the next AGM of the Company following the AGM at which such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;
- (ii) the expiration of the period within which the next AGM after the date it 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
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

2.2 Information On The BFood Group

The principal activity of BFood is investment holding while its subsidiary companies are principally engaged in the development and operation of restaurant and café chains and retail outlets in Malaysia and other South-East Asian countries and investment holding.

The list of the subsidiary companies of BFood which are involved in the Recurrent Related Party Transactions are set out below:-

Name of Company	Equity Interest Held (%)	Principal Activities
BRoasters	100	Development and operation of the “Kenny Rogers Roasters” chain of restaurants in Malaysia.
BFI	100	Investment holding, consultancy services for food audit and certification and training services for food handler.
BFT	100	Sale and distribution of food and beverage in Malaysia.
BStarbucks	100	Development and operation of the “Starbucks Coffee” chain of cafes and retail stores in Malaysia.
<u>Subsidiaries of BFI</u> Berjaya Kelava Sdn Bhd	51	Manufacturing and trading, producing vegan ice cream under the brand name of “Kelava”.
Berjaya Jollibean (M) Sdn Bhd	100	Production and distribution of food and beverages in Malaysia.

The details of the Recurrent Related Party Transactions of the BFood Group which are in accordance with Paragraph 10.09(2) of the Listing Requirements are set out in Section 2.3 below.

2.3 Class And Nature Of The Recurrent Related Party Transactions

The class and nature of the Recurrent Related Party Transactions of the BFood Group are tabulated as follows:-

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Interested Directors/Major Shareholders and/or Persons Connected with them	Estimated value from 13 December 2023 to the date of the next AGM (RM'000)
BCorporation and its unlisted subsidiary companies			
BCorporation	Management fees payable by BFood for services rendered that include, among others, the provision of finance, secretarial, internal audit and general administrative services	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	300
BCorporation and its subsidiaries	Income receivable by BFT from sale of bottled beverages and consumable products	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	50
Berjaya Higher Education Sdn Bhd	Renting of training venue by BStarbucks	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	60
	Receipt of education and staff training services by the BFood Group*		50
Berjaya Krispy Kreme Doughnuts Sdn Bhd	Income receivable by Berjaya Jollibean (M) Sdn Bhd from sale of food and beverages products*	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	36
	Receipt of food handler training and quality assurance food store audit services by BFI*		24
	Purchase of consumable food products by BFT*		600
BLoyalty Sdn Bhd	Loyalty reward charges payable by the BFood Group for managing the loyalty card programme	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	250
Berjaya Registration Services Sdn Bhd	Receipt of share registration services and other related services by BFood	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	80

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Interested Directors/Major Shareholders and/or Persons Connected with them	Estimated value from 13 December 2023 to the date of the next AGM (RM'000)
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products by the BFood Group	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	200
Prime Credit Leasing Berhad	Receipt of leasing and hire purchase facilities by BRoasters	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	10,000
Secuexpress Services Sdn Bhd	Receipt of transportation services by the BFood Group	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	100
E.V.A. Management Sdn Bhd	Receipt of human resource management services by the BFood Group	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	150
Regal Class Residence Sdn Bhd (<i>formerly known as RC Residence Sdn Bhd</i>)	Rental payable by BStarbucks at RM19,098 per month or based on 15% of monthly gross sales generated, whichever is higher, for renting of shoptlot at Lot 1-1-1A, Menara Bangkok Bank, Laman Sentral Berjaya, Jalan Ampang, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	270
Berjaya Roasters Pte Ltd	Royalty fee payable by BRoasters in respect of receipt of ongoing training and support services provided	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	300
Total			12,470

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Interested Directors/Major Shareholders and/or Persons Connected with them	Estimated value from 13 December 2023 to the date of the next AGM (RM'000)
BLand and its unlisted subsidiary companies			
Berjaya Guard Services Sdn Bhd	Receipt of security guard services by BStarbucks	BCorporation and Persons Connected with it as mentioned in the notes of Sections 2.3 and 6.1	500
Nural Enterprise Sdn Bhd	Rental payable by BStarbucks at RM6,500 per month for renting of office at Lots 1.07 & 1.08, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter	BCorporation and Persons Connected with it as mentioned in the notes of Sections 2.3 and 6.1	78
ANSA Hotel KL Sdn Bhd	Rental payable by BStarbucks at:- 1. RM98,601 per month for renting of shoplot at Lot 03, Ground Floor, ANSA Hotel KL, Jalan Bukit Bintang, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter 2. RM982 per month for renting of storage space at Lot B-05, Basement, ANSA Hotel KL, Jalan Bukit Bintang, Kuala Lumpur. Tenure of the rental agreement is for a period of 2 years and renewable thereafter	BCorporation and Persons Connected with it as mentioned in the notes of Sections 2.3 and 6.1	1,183 12
BLand and its subsidiaries	Income receivable by BFT from sale of bottled beverages and consumable products	BCorporation and Persons Connected with it as mentioned in the notes of Sections 2.3 and 6.1	350
Berjaya Hartanah Berhad	Rental payable by BStarbucks at RM8,290 per month for renting of shoplot at Lot G-05, Ground Floor, Tropika Bukit Jalil, Jalan Jalil Perkasa 3, Kuala Lumpur. Tenure of the rental is for a period of 3 years and renewable thereafter*	BCorporation and Persons Connected with it as mentioned in the notes of Sections 2.3 and 6.1	99

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Interested Directors/Major Shareholders and/or Persons Connected with them	Estimated value from 13 December 2023 to the date of the next AGM (RM'000)
Berjaya Hartanah Berhad (Cont'd)	Rental payable by BStarbucks at RM500 per month for placement of advertisement on LED screen panel at Tropika Bukit Jalil for a period of 1 year*	BCorporation and Persons Connected with it as mentioned in the notes of Sections 2.3 and 6.1	6
Cempaka Properties Sdn Bhd	<p>Rental payable by BRoasters at RM8,050 per month for renting of shoplot at Lot G.83, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan, Pahang. Tenure of the rental agreement is for a period of 3 years and renewable thereafter</p> <p>Rental payable by BStarbucks at:-</p> <ol style="list-style-type: none"> 1. RM12,397 per month or based on 10% of monthly gross sales generated, whichever is higher, for renting of shoplot and RM1,650 per month for renting of outdoor seating at Lot G.15, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan, Pahang. Tenure of the rental agreement for shoplot is for a period of 3 years and the tenure of the rental agreement for the outdoor seating is for a period of 3 years and renewable thereafter 2. RM300 per month for renting of storage space at Lot S2.B, 2nd Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan, Pahang. Tenure of the rental agreement is for a period of 3 years and renewable thereafter 	BCorporation and Persons Connected with it as mentioned in the notes of Sections 2.3 and 6.1	<p>97</p> <p>380</p> <p>4</p>
Total			2,709

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Interested Directors/Major Shareholders and/or Persons Connected with them	Estimated value from 13 December 2023 to the date of the next AGM (RM'000)
BAssets and its subsidiary companies			
BTS Car Park Sdn Bhd	Parking charges payable monthly by the BFood Group for leasing of parking bays at Berjaya Times Square, Jalan Imbi, Kuala Lumpur	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	200
BTSSB	<p>Rental payable by BRoasters at:-</p> <ol style="list-style-type: none"> 1. RM8,235 per month or based on 15% of monthly gross sales generated, whichever is higher, for renting of shoplot at Lot 03-85, 3rd Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years 2. RM430 per month for renting of walkway area adjacent to Lot 03-85A, 3rd Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years 3. RM18,941 per month for renting of office at Lots 09-07 to 09-13, 9th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter <p>Rental payable by BStarbucks at:-</p> <ol style="list-style-type: none"> 1. RM12,908 per month for renting of walkway area adjacent to Lots G-09C, G-09D, G-09E and G-09G, Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter 	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	<p>300</p> <p>5</p> <p>227</p> <p>155</p>

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Interested Directors/Major Shareholders and/or Persons Connected with them	Estimated value from 13 December 2023 to the date of the next AGM (RM'000)
BTSSB (Cont'd)	<p>Rental payable by BStarbucks at (Cont'd):-</p> <p>2. RM2,268 per month for renting of storage space at Lot 10-05, 10th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter</p> <p>3. RM1,717 per month for renting of premises as call centre at Lot 10-01G, 10th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter</p> <p>Rental payable by Berjaya Kelava Sdn Bhd at RM3,600 per month or based on 8% of monthly gross sales generated, whichever is higher, for renting of shoplot at Lot LG-49A-2, Lower Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur. Tenure of the rental agreement is for a period of 3 years and renewable thereafter</p>	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	<p>27</p> <p>21</p> <p>67</p>
Berjaya Waterfront Sdn Bhd	Rental payable by BStarbucks at RM5,613 per month or based on 12% of monthly gross sales generated, whichever is higher, for renting of shoplot at Lots 1.31 to 1.33, Level 1, Berjaya Waterfront Complex, Jalan Ibrahim Sultan, Stulang Laut, Johor Bahru. Rental is payable on a monthly basis based on mutually agreed month-to-month tenancy by way of letter	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	100
Total			1,102

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Interested Directors/Major Shareholders and/or Persons Connected with them	Estimated value from 13 December 2023 to the date of the next AGM (RM'000)
7-Eleven Holdings and its subsidiary company			
7-Eleven	Income receivable by BFT from sale of bottled beverages and consumable products	CTSL, BCorporation and Persons Connected with them as mentioned in the notes of Sections 2.3 and 6.1	5,000
	Procurement of advertising services payable by BFT		900
	Income receivable by Berjaya Jollibean (M) Sdn Bhd from sale of beverages and consumable products*		1,235
Total			7,135
Other related parties			
Sun Media	Procurement of advertising and publishing services by the BFood Group	CTSL and Persons Connected with her as mentioned in the notes of Sections 2.3 and 6.1	200
Qinetics MSP Sdn Bhd	Purchase of hardware, software and network equipment by the BFood Group	CTSL and Persons Connected with her as mentioned in the notes of Sections 2.3 and 6.1	100
Total			300
Grand Total			23,716

Notes:-

* *New Recurrent Related Party Transactions which were not covered in the previous general mandate.*

- (1) *The estimated values from 13 December 2023 to the date of the next AGM in 2024 are based on historical records and budgets of the respective Recurrent Related Party Transactions. The actual values of these transactions may differ from the said estimated values.*
- (2) *BCorporation is a major shareholder of BLand, BAssets and 7-Eleven Holdings. Its direct and indirect interests in these companies as at the LPD are set out below:-*

	% of Interest	
	Direct	Indirect
<i>BLand</i>	8.50	65.98 ^(a)
<i>BAssets</i>	-	16.62 ^(a)
<i>7-Eleven Holdings</i>	1.71	12.66 ^(a)

Note:-

- (a) *Deemed interested by virtue of its 100% interest in BGroup.*
- (3) *CTSL is a Non-Independent Non-Executive Director of BFood as well as an Executive Director of BLand, BCorporation and BAssets. CTSL is also a shareholder of BLand and BCorporation with an interest of 0.10% and 1.44% in BLand and BCorporation respectively as at the LPD.*

- (4) *TSVT, the father of CTSL, is a major shareholder of BCorporation, BAssets and 7-Eleven Holdings. Hence, TSVT is a Person Connected with CTSL.*

TSVT's direct and indirect interests in BCorporation, BAssets and 7-Eleven Holdings as at the LPD are set out below:-

	% of Interest	
	Direct	Indirect
<i>BCorporation</i>	<i>7.51</i>	<i>10.56^(a)</i>
<i>BAssets</i>	<i>32.37</i>	<i>16.20^(b)</i>
<i>7-Eleven Holdings</i>	<i>22.36</i>	<i>5.89^(c)</i>

Notes:-

- (a) *Deemed interested by virtue of his interests in Ascot Sports Sdn Bhd, HRESB, BAssets (the holding company of BTSSB and BBright), BMedia (the holding company of Gemtech (M) Sdn Bhd), B&B, HQZ (the ultimate holding company of Desiran Unggul Sdn Bhd and Premier Merchandise Sdn Bhd) and his deemed interests in BInfrastructure, Lim Kim Hai Sales & Services Sdn Bhd and CSSSB.*
- (b) *Deemed interested by virtue of his interests in HRESB, B&B, Berjaya VTCY Sdn Bhd, MOL.com (the ultimate holding company of Lim Kim Hai Sales & Services Sdn Bhd), U Telemedia, Prime Realty Holdings Sdn Bhd and his deemed interests in BInfrastructure and BRetail.*
- (c) *Deemed interested by virtue of his interests in HQZ (the ultimate holding company of BRetail, BInfrastructure and True Ascend Sdn Bhd), BAssets (the holding company of BBright), U Telemedia, B&B and HRESB.*
- (5) *Sun Media is a 100%-owned subsidiary of BMedia. TSVT is a major shareholder of BMedia. His direct and indirect interests in BMedia as at the LPD are set out below:-*

	% of Interest	
	Direct	Indirect
<i>TSVT</i>	<i>39.08</i>	<i>10.60^(a)</i>

Note:-

- (a) *Deemed interested by virtue of his interests in HRESB, BAssets (the holding company of BTSSB and BBright), B&B and HQZ (the ultimate holding company of Desiran Unggul Sdn Bhd and Premier Merchandise Sdn Bhd).*
- (6) *Qinetics MSP Sdn Bhd is a 100%-owned subsidiary of Qinetics Solutions Sdn Bhd which in turn is a 73%-owned subsidiary of MOL.com. TSVT is a deemed major shareholder of Qinetics MSP Sdn Bhd by virtue of his 81.17% direct interest in MOL.com.*

2.4 Methods Or Procedures On Which Transactions Prices Are Determined/Review Procedures For Recurrent Related Party Transactions

2.4.1 The Group has established various methods and procedures to ensure that the Recurrent Related Party Transactions are entered into on an arm's length basis and on normal commercial terms which are consistent with the Group's normal business practices and policies and are on terms not more favourable to the Related Parties than those extended to third parties and are not detrimental to the minority shareholders. They include, among others, the following:-

- (i) The transaction prices are based on prevailing market rates/prices that are agreed upon under similar commercial terms for transactions with third parties, business practices and policies and on terms which are generally in line with industry norms;
- (ii) The Related Parties and interested Directors will be notified of the methods and/or procedures of the Group;

- (iii) Records of Recurrent Related Party Transactions will be retained and compiled by the Group accountant for submission to the Audit and Risk Management Committee for review;
- (iv) The Audit and Risk Management Committee is to provide a statement that it has reviewed the terms of the Recurrent Related Party Transactions to ensure that such transactions are undertaken based on terms not more favourable to the Related Parties than those generally available to the public, are not detrimental to the minority shareholders and are in the best interest of the Group;
- (v) Directors who have any interest in any Recurrent Related Party Transaction shall abstain from Board deliberations and voting and will ensure that they and any Person Connected with them will also abstain from voting on the resolution at the EGM or AGM to be convened for the purpose; and
- (vi) Disclosures will be made in the annual report on the breakdown of the aggregate value of the Recurrent Related Party Transactions during the financial year, among others, based on the following information:-
 - (a) the type of the Recurrent Related Party Transactions made; and
 - (b) the names of the Related Parties involved in each type of the Recurrent Related Party Transactions made and their relationship with the Group.

2.4.2 At least 2 other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as comparison, wherever possible, to determine whether the price and terms offered to/by the Related 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/services and/or quantities. Where quotation or comparative pricing from unrelated third parties cannot be obtained, the transaction price will be determined by the Group based on those offered by/to other unrelated parties for the same or substantially similar type of transaction to ensure that the Recurrent Related Party Transaction is not detrimental to the Group.

2.4.3 The guidelines for the relevant approving authority practised by the Group in relation to Recurrent Related Party Transactions are as follows:-

- (i) Transactions below RM1,000,000 each in value, will be reviewed and approved by the Chief Executive Officer or such other senior executive(s) (not being a person connected to the Related Party) designated by the Audit and Risk Management Committee from time to time for such purpose, and tabled for review by the Audit and Risk Management Committee on a half yearly basis.
- (ii) Transactions equal to or exceeding RM1,000,000 each in value will be reviewed and approved by the Audit and Risk Management Committee.
- (iii) The Chief Executive Officer or other senior executive(s) designated by the Audit and Risk Management Committee from time to time for such purpose, and the Audit and Risk Management Committee, may, as he/it deems fit, request for additional information pertaining to the transaction under review from independent sources or advisers, including the obtaining of valuations from independent valuers.

2.5 Statement By The Audit And Risk Management Committee

2.5.1 The Audit and Risk Management Committee of BFood has seen and reviewed the procedures mentioned in Section 2.4 above and is of the opinion that the abovementioned procedures are sufficient to ensure that the Recurrent Related Party Transactions are carried out on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to the interests of the minority shareholders.

2.5.2 The 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 and Risk Management Committee of BFood conducts the review of these procedures and processes on a half yearly basis.

2.6 Existing Mandate On Recurrent Related Party Transactions

The actual value transacted of each Recurrent Related Party Transactions, from the date on which the existing mandate was obtained on 14 December 2022 up to the LPD, together with its estimated value as disclosed in the circular to shareholders of BFood dated 27 October 2022 (“**2022 Circular**”) are set out below:-

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Actual value transacted from 14 December 2022 to LPD (RM'000)	Estimated value as disclosed in the 2022 Circular (RM'000)
BCorporation and its unlisted subsidiary companies			
BCorporation	Management fees paid by BFood for services rendered that include, among others, the provision of finance, secretarial, internal audit and general administrative services	250	300
BCorporation and its subsidiaries	Income received by BFT from sale of bottled beverages and consumable products	13	50
Berjaya Education Sdn Bhd	Receipt of education and staff training services by the BFood Group ⁽¹⁾	-	50
Berjaya Higher Education Sdn Bhd	Renting of training venue by BStarbucks	15	60
BLoyalty Sdn Bhd	Loyalty reward charges paid by the BFood Group ⁽²⁾	153	100
	Procurement of reload card and other related services by BRoasters ⁽³⁾	-	10
Berjaya Registration Services Sdn Bhd	Receipt of share registration services and other related services by BFood	53	80
Kimia Suchi Marketing Sdn Bhd	Purchase of cleaning chemical products by the BFood Group	168	200
Prime Credit Leasing Berhad	Receipt of leasing and hire purchase facilities by BRoasters	2,753	5,000

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Actual value transacted from 14 December 2022 to LPD (RM'000)	Estimated value as disclosed in the 2022 Circular (RM'000)
Securexpress Services Sdn Bhd	Receipt of transportation services by the BFood Group	17	100
E.V.A. Management Sdn Bhd	Receipt of human resource management services by the BFood Group	112	150
Regal Class Residence Sdn Bhd (<i>formerly known as RC Residence Sdn Bhd</i>)	Rental paid by BStarbucks for renting of shoplot at Lot 1-1-1A, Menara Bangkok Bank, Laman Sentral Berjaya, Jalan Ampang, Kuala Lumpur	195	270
Berjaya Roasters Pte Ltd	Royalty fee paid by BROasters in respect of receipt of ongoing training and support services	176	300
Total		3,905	6,670
BLand and its unlisted subsidiary companies			
Berjaya Guard Services Sdn Bhd	Receipt of security guard services by BStarbucks	373	500
Nural Enterprise Sdn Bhd	Rental paid by BStarbucks for renting of office at Lots 1.07 & 1.08, Podium Block, Plaza Berjaya, Jalan Imbi, Kuala Lumpur	65	78
ANSA Hotel KL Sdn Bhd	Rental paid by BStarbucks for renting of: <ul style="list-style-type: none"> 1. shoplot at Lot 03, Ground Floor, ANSA Hotel KL, Jalan Bukit Bintang, Kuala Lumpur 2. storage space at Lot B-05, Basement, ANSA Hotel KL, Jalan Bukit Bintang, Kuala Lumpur 	923 10	1,120 12
BLand and its subsidiaries	Income received by BFT from sale of bottled beverages and consumable products	150	150

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Actual value transacted from 14 December 2022 to LPD (RM'000)	Estimated value as disclosed in the 2022 Circular (RM'000)
Cempaka Properties Sdn Bhd	Rental paid by BROasters for renting of shoplot at Lot G.83, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan, Pahang	81	97
	Rental paid by BStarbucks for renting of:-		
	1. shoplot and outdoor seating at Lot G.15, Ground Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan, Pahang	292	380
	2. storage space at Lot S2.B, 2nd Floor, Berjaya Megamall, Jalan Tun Ismail, Kuantan, Pahang	3	4
Total		1,897	2,341
BAssets and its unlisted subsidiary companies			
BTS Car Park Sdn Bhd	Parking charges paid by the BFood Group for leasing of parking bays at Berjaya Times Square	118	200
BTSSB	Rental paid by BROasters for renting of:-		
	1. shoplot at Lot 03-85, 3 rd Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	194	300
	2. walkway area adjacent to Lot 03-85A, 3 rd Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	4	5
	3. office at Lots 09-07 to 09-13, 9 th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	189	227
	Rental paid by BStarbucks for renting of:-		
	1. walkway area adjacent to Lots G-09C, G-09D, G-09E and G-09G, Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	116	142

BFood Group with the following Related Parties	Nature of transactions undertaken by BFood and/or its subsidiary companies	Actual value transacted from 14 December 2022 to LPD (RM'000)	Estimated value as disclosed in the 2022 Circular (RM'000)
BTSSB (Cont'd)	Rental paid by BStarbucks for renting of (Cont'd):- 2. storage space at Lot 10-05, 10 th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur 3. premises as call centre at Lot 10-01G, 10 th Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur Rental paid by BFT for renting of office at Lot 09-06, Level 9, Berjaya Times Square, Jalan Imbi, Kuala Lumpur ⁽⁴⁾ Rental paid by Berjaya Kelava Sdn Bhd for renting of shoplot at Lot LG-49A-2, Lower Ground Floor, Berjaya Times Square, Jalan Imbi, Kuala Lumpur	23 17 - 36	27 42 28 67
Berjaya Waterfront Sdn Bhd	Rental paid by BStarbucks for renting of shoplot at Lots 1.31 to 1.33, Level 1, Berjaya Waterfront Complex, Jalan Ibrahim Sultan, Stulang Laut, Johor Bahru	58	100
Total		755	1,138
7-Eleven Holdings and its unlisted subsidiary companies			
7-Eleven	Income received by BFT from sale of bottled beverages and consumable products Procurement of advertising services paid by BFT	1,557 304	8,000 1,700
Total		1,861	9,700
Other related parties			
Sun Media	Procurement of advertising and publishing services by the BFood Group	75	200
Qinetics MSP Sdn Bhd	Purchase of hardware, software and network equipment by the BFood Group	18	100
Total		93	300
Grand Total		8,511	20,149

Notes:-

- (1) *No education and staff training services were provided by Berjaya Education Sdn Bhd to the BFood Group as Berjaya Education Sdn Bhd has ceased its operation in March 2023.*
- (2) *The loyalty reward charges paid by the BFood Group has exceeded the estimated value as disclosed in the 2022 Circular was due to the increase in the issuance of BLoyalty points to its retail customers.*
- (3) *The procurement of reload card and other related services provided by BROasters has been terminated as the use of reload card was discontinued.*
- (4) *The rental agreement entered into between BFT and BTSSB for renting of office premises at Lot 09-06, Level 9, Berjaya Times Square, Jalan Imbi, Kuala Lumpur was terminated in November 2022.*

2.7 Amount Due And Owing By Related Parties Pursuant To Recurrent Related Party Transactions

- 2.7.1 As at 30 June 2023, the total outstanding amount due and owing to the BFood Group by its Related Parties under the Recurrent Related Party Transactions which exceeded the credit term of not more than one year was about RM0.33 mil. There is no outstanding amount due and owing by the Related Parties under the Recurrent Related Party Transactions which exceeded the credit term of more than one year.
- 2.7.2 No late payment charge is imposed by the BFood Group on amounts due and owing by its Related Parties that exceeded the credit term as the Board has reviewed the outstanding amounts, and is of the opinion that the outstanding amounts were part of normal business operations of the Group and are recoverable. In addition, the Board and Management of the Group are of the view that the Related Parties are long term business partners and have sound credit standing.
- 2.7.3 The Management of the Group has and will continuously discuss with the Related Parties for early settlement of the outstanding amounts due.

3. RATIONALE FOR, AND THE BENEFIT TO THE BFOOD GROUP FROM TRANSACTING WITH RELATED PARTIES

- 3.1 The Recurrent Related Party Transactions entered into or to be entered into by the BFood Group are all in the ordinary course of business and intended to meet the business needs of the Group at the best possible terms so as to achieve the synergistic benefits within the BFood Group. As such, it is anticipated that the Recurrent Related Party Transactions would occur on a frequent and recurrent basis.
- 3.2 The Proposed Mandate will eliminate the need to make announcements to the Exchange and/or to convene separate EGMs from time to time to seek shareholders' prior approvals for the Group to enter into such Recurrent Related Party Transactions. This will serve to reduce substantial administrative time and expenses in convening such EGMs without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group.
- 3.3 The Recurrent Related Party Transactions provide the BFood Group the support for its operational and business needs and further enhance its ability to explore beneficial business opportunities within the BFood Group and the Related Parties.

4.0 CONDITIONS FOR THE PROPOSED MANDATE

- 4.1 The Proposed Mandate is conditional upon the approval being obtained from shareholders of BFood at the forthcoming AGM. The Proposed Mandate being procured from shareholders of BFood at the forthcoming AGM is subject to annual renewal.

5.0 FINANCIAL EFFECTS OF THE PROPOSED MANDATE

5.1 The Proposed Mandate does not have any effect on the issued share capital of BFood and is not expected to have any material effect on the consolidated earnings and NA of BFood.

6.0 DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

6.1 The direct and/or indirect shareholdings of the interested Director, interested Major Shareholder and Person Connected with them in BFood as at the LPD are as follow:-

	Direct		Indirect	
	No. of shares	%	No. of shares	%
<u>Interested Director</u>				
CTSL	-	-	-	-
<u>Interested Major Shareholder</u>				
BCorporation	29,500,000	1.68	970,274,200 ^(a)	55.31
<u>Interested Person Connected</u>				
TSVT	635,100	0.04	17,500,000 ^(b)	1.00

Notes:-

(a) Deemed interested by virtue of its 100% interest in BGroup.

(b) Deemed interested by virtue of his interest in HRESB and his deemed interests in CSSSB and BInfrastructure.

6.2 Based on details as disclosed in Section 2.3 of this Circular, CTSL, being the interested Director, has abstained and will continue to abstain from all Board deliberations and voting in relation to the Proposed Mandate. CTSL will also abstain from voting in respect of her direct and/or indirect shareholdings in BFood (where applicable) on the ordinary resolution, deliberating or approving the Proposed Mandate at the forthcoming AGM. CTSL has undertaken to ensure that Persons Connected with her will also abstain from voting on the ordinary resolution, deliberating or approving the Proposed Mandate at the forthcoming AGM.

6.3 TTC is a Director of BFood and certain companies which are under separate listed groups in which BCorporation is deemed to have an interest. Pursuant to the Listing Requirements, TTC is not deemed to be interested in the Proposed Mandate. TTC has, however, voluntarily abstained and will continue to abstain from all of the Board deliberations and voting in relation to the Proposed Mandate. TTC will also abstain from voting on the ordinary resolution, deliberating or approving the Proposed Mandate at the forthcoming AGM.

6.4 BCorporation, being the interested Major Shareholder, will abstain from voting in respect of its direct and/or indirect shareholdings on the ordinary resolution, deliberating or approving the Proposed Mandate at the forthcoming AGM. BCorporation has undertaken to ensure that Persons Connected with it will also abstain from voting on the ordinary resolution, deliberating or approving the Proposed Mandate at the forthcoming AGM.

6.5 Save as disclosed above, none of the other Directors or Major Shareholders and Persons Connected with them, has any interest, direct or indirect in the Proposed Mandate.

7.0 DIRECTORS' RECOMMENDATION

7.1 The Board (except for CTSL and TTC), having considered all aspects of the Proposed Mandate, is of the opinion that it is in the best interest of the BFood Group. Accordingly, the Board with the exception of CTSL and TTC who have abstained from making any recommendation on the Proposed Mandate, recommends that you vote in favour of the ordinary resolution in respect of the Proposed Mandate to be tabled at the forthcoming AGM.

8.0 AGM

8.1 The AGM, Notice of which is enclosed in the Annual Report 2023 and an extract of the ordinary resolution on the Proposed Mandate is enclosed in this Circular, will be conducted on a virtual basis through live streaming from the broadcast venue at Manhattan V, Level 14, Berjaya Times Square Hotel Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur on Wednesday, 13 December 2023 at 10.00 a.m. or any adjournment thereof for the purpose of considering and, if thought fit, passing the ordinary resolution to give effect to the Proposed Mandate.

8.2 The voting on the ordinary resolution at the AGM of the Company will be by poll. If you are unable to participate and vote remotely via the Remote Participation and Voting facilities to be provided by the Poll Administrator of the Company, SS E Solutions Sdn Bhd via its e-Portal at <https://sshbsb.net.my/> at the forthcoming AGM of the Company, you may appoint a proxy to participate and vote on your behalf. If you wish to do so, you shall execute and deposit the enclosed Form of Proxy in accordance with the instructions printed thereon as soon as possible so as to arrive at the Registered Office of the Company at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur OR alternatively, you may submit the Form of Proxy electronically via Securities Services e-Portal at <https://sshbsb.net.my/> not less than 48 hours before the time fixed for the AGM of the Company or any adjournment thereof. The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the forthcoming AGM should you subsequently wish to do so. Shareholders/proxy(ies) from the public will not be allowed to be physically present at the broadcast venue on the day of the AGM.

9.0 FURTHER INFORMATION

9.1 Shareholders are requested to refer to Appendix I for further information.

Yours faithfully

For and on behalf of the Board of Directors of

BERJAYA FOOD BERHAD

DATO' SERI DIRAJA TUNKU SHAZUDDIN ARIFF IBNI SULTAN SALLEHUDDIN

Chairman/Independent Non-Executive Director

PART B

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

BERJAYA FOOD BERHAD
[Registration No. 200901032946 (876057-U)]
(Incorporated in Malaysia)

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

1.0 INTRODUCTION

- 1.1 On 11 October 2023, the Board announced that the Company proposes to seek a shareholders' mandate to renew the authority for BFood to purchase its own shares on the Exchange of up to a maximum of 10% of the total number of issued shares.
- 1.2 The purpose of this Statement is to provide you with the relevant details of the Proposed Share Buy-Back and to seek your approval for the ordinary resolution to be tabled at the forthcoming AGM, which will be conducted on a virtual basis through live streaming from the broadcast venue at Manhattan V, Level 14, Berjaya Times Square Hotel Kuala Lumpur, No. 1 Jalan Imbi, 55100 Kuala Lumpur on Wednesday, 13 December 2023 at 10.00 a.m. or any adjournment thereof via the Remote Participation and Voting facilities to be provided by the Poll Administrator of the Company, SS E Solutions Sdn Bhd via its e-Portal at <https://sshsb.net.my/>.

2.0 DETAILS OF THE PROPOSED SHARE BUY-BACK

- 2.1 BFood had, at its last AGM held on 14 December 2022, obtained its shareholders' mandate for the Company to purchase its own shares and the aforesaid mandate will continue to be in force until the conclusion of the forthcoming AGM which will be held on 13 December 2023.
- 2.2 A new mandate is required from the shareholders of the Company to renew the authority to purchase up to 10% of its total number of issued shares on the Exchange, subject to the compliance with Section 127 of the Act and the Prevailing Laws at the time of purchase. This new mandate from the shareholders of the Company will be effective immediately upon the passing of the ordinary resolution for the Proposed Share Buy-Back at the forthcoming AGM and shall continue to be in force until:-
- (i) the conclusion of the next AGM of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM after that date it is required by law to be held; or
 - (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first.

- 2.3 Based on the issued share capital of the Company as at the LPD of 1,947,632,785 BFood Shares, the number of shares that can be purchased by the Company is up to 194,763,278 BFood Shares representing up to 10% of the total number of issued shares of the Company inclusive of the 193,364,250 BFood Shares that have been purchased and retained as Treasury Shares. As such, the balance numbers of BFood Shares that can be purchased by the Company pursuant to the Proposed Share Buy-Back is up to 1,399,028 BFood Shares.

- 2.4 The amount of funds to be allocated for the purchase of BFood Shares pursuant to the Proposed Share Buy-Back will be financed through internally generated funds and/or borrowings, the proportion of which will depend on the quantum of the cash consideration as well as the availability of internally generated funds and/or borrowings at the time of the purchase(s). In the event the Proposed Share Buy-Back is to be partly financed by borrowings, the Company expects that it will be capable of repaying the borrowings and that the borrowings will not have any material impact on the cash flows of the BFood Group. In addition, the Board will ensure that the Company satisfies the solvency test as stated in Section 112(2) of the Act before execution of the Proposed Share Buy-Back.
- 2.5 The actual number of Shares Purchased, the total amount of funds to be utilised for each purchase and the timing of any purchase will depend on, among others, the market conditions and sentiments of the stock market, the availability of financial resources and the retained profits of the Company. The total consideration for the Proposed Share Buy-Back shall not exceed the retained profits of the Company. The retained profits of the Company as per audited financial statements of the Company as at 30 June 2023 are set out below:-

	Audited as at 30 June 2023
	RM'000
Retained profits	228,902
Consideration of Treasury Shares already purchased	<u>(85,328)</u>
Limit available	<u><u>143,574</u></u>

- 2.6 The Board may resolve to cancel all the Shares Purchased, or retain all the Shares Purchased as Treasury Shares, or retain part thereof as Treasury Shares and subsequently cancelling the balance.

In the event that the Board resolves to cancel or retain the Shares Purchased, the BFood Group would expect to enhance its EPS and thereby investors are expected to enjoy a corresponding increase in the value of their investments in the Company.

If the Shares Purchased are to be kept as Treasury Shares, it may be realised with potential gain without affecting the total issued share capital of the Company. The Company may also utilise the Treasury Shares as share dividends to its shareholders depending on the availability of profits of the Company and/or resell the Treasury Shares in the open market to profit from any price appreciation of the BFood Shares in the future. The Treasury Shares may be transferred for the purpose of an employees' share scheme or as purchase consideration.

- 2.7 BFood may only purchase its own shares on the Exchange at prices which are not more than 15% above the weighted average market price of the BFood Shares for the 5 market days immediately before the purchases.

The Company may only resell the Treasury Shares on the Exchange or transfer the Treasury Shares pursuant to Section 127(7) of the Act at:-

- (i) prices which are not less than the weighted average market price of the BFood Shares for the 5 market days immediately before the resale or transfer; or
- (ii) at a discounted price of not more than 5% to the weighted average market price of the BFood Shares for the 5 market days immediately before the resale or transfer provided that:-
 - (a) the resale or transfer takes place not 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 BFood Shares being resold or transferred.

- 2.8 The Proposed Share Buy-Back will be in accordance with the Prevailing Laws at the time of the purchase including compliance with 25% shareholding spread as required by the Listing Requirements. As at the LPD, the public shareholding spread of the Company was approximately 40.53%. Based on the public shareholding spread of the Company as at the LPD, assuming the Proposed Share Buy-Back is implemented in full with the purchase entirely from the public, the shareholdings of the Directors and substantial shareholders of BFood and/or persons connected with them will remain the same and all Shares Purchased will be retained either as Treasury Shares or cancelled, the public shareholding spread of BFood is expected to reduce to 40.48%.

3.0 RATIONALE FOR THE PROPOSED SHARE BUY-BACK

- 3.1 The Proposed Share Buy-Back will enable the Company to utilise any of its surplus financial resources to purchase its own shares which may have positive impact on the market price of BFood Shares. The Proposed Share Buy-Back, if implemented, may help to stabilise the supply and demand of the BFood Shares traded on the Exchange and thereby supporting its fundamental value.
- 3.2 The Proposed Share Buy-Back may also improve the future EPS of the BFood Group and the return on equity as a result of a reduced share capital base if the Shares Purchased are subsequently cancelled.
- 3.3 If the Shares Purchased are to be retained as Treasury Shares, it will provide an option for the Company to resell the Treasury Shares at a higher price and generate capital gain for the Company. Alternatively, it may be distributed as share dividends to reward BFood's shareholders in the future.

4.0 POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

- 4.1 The potential advantages of the Proposed Share Buy-Back are as follows:-

- (i) allows the Company to take preventive measures against speculation particularly when the BFood Shares are undervalued; and
- (ii) allows the Company flexibility in attaining its desired capital structure.

- 4.2 The potential disadvantages of the Proposed Share Buy-Back are as follows:-

- (i) the Proposed Share Buy-Back will reduce the surplus financial resources of the Group and may result in the Group foregoing better investment opportunities that may arise in future; and
- (ii) as the Proposed Share Buy-Back can only be made out of retained profits of the Company, it will result in the reduction of financial resources available for distribution to shareholders in the immediate future.

- 4.3 Nevertheless, the Board will be mindful of the interests of BFood and its shareholders in implementing the Proposed Share Buy-Back and its subsequent decision in handling such Shares Purchased.

5.0 EFFECTS OF THE PROPOSED SHARE BUY-BACK

5.1 Issued Share Capital

If the Shares Purchased are to be retained in full as Treasury Shares, the Proposed Share Buy-Back will not have any effect on the issued share capital of BFood. However, the rights attaching to them as to voting, dividends and participation in other distributions and otherwise are suspended and the Treasury Shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares for any purposes including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

The issued share capital of BFood will decrease if the Shares Purchased are cancelled. The proforma effect of the Proposed Share Buy-Back on the issued share capital of the Company assuming BFood purchases and subsequently cancels up to 10% of the existing issued share capital is as follows:-

	No. of BFood Shares
Issued share capital as at the LPD	1,947,632,785
Assuming all Shares Purchased are to be cancelled pursuant to the Proposed Share Buy-Back*	(194,763,278)
Resultant issued share capital	<u>1,752,869,507</u>

Note:-

* *Inclusive of the 193,364,250 BFood Shares (as at the LPD) that have been purchased and retained as Treasury Shares.*

5.2 NA And EPS

5.2.1 NA

The NA per share may be increased or decreased, depending on the purchase price and the number of Shares Purchased. Should the purchase price per Share Purchased exceeds its existing NA per share at the time of purchase, the resultant NA per share should decrease accordingly. Conversely, should the purchase price per Share Purchased be lower than the NA per share at the time of purchase, the resultant NA per share would increase accordingly.

5.2.2 EPS

The effects of the Proposed Share Buy-Back on the EPS of BFood would depend on the number of Shares Purchased.

5.3 Working Capital

The Proposed Share Buy-Back is likely to reduce the working capital of the BFood Group, the quantum of which will depend on the actual purchase price and number of Shares Purchased.

5.4 Dividends

The Proposed Share Buy-Back may reduce the amount of distributable reserves available for payment of dividends in the immediate future.

5.5 Directors' And Substantial Shareholders' Shareholdings

5.5.1 Directors

The effects of the Proposed Share Buy-Back on the shareholdings of the Directors of BFood based on the Register of Directors as at the LPD are as follows:-

Director	No. of shares as at LPD				No. of shares after the Proposed Share Buy-Back			
	Direct	% ⁽¹⁾	Indirect	% ⁽¹⁾	Direct	% ⁽²⁾	Indirect	% ⁽²⁾
Dato' Seri Diraja Tunku Shazuddin Ariff Ibni Sultan Sallehuddin	580,000	0.03	-	-	580,000	0.03	-	-
Dato' Sydney Lawrance Quays	4,240,000	0.24	50,000 ^(a)	#	4,240,000	0.24	50,000 ^(a)	#
TTC	2,023,500	0.12	-	-	2,023,500	0.12	-	-
CTSL	-	-	-	-	-	-	-	-
Dato' (Dr) Mustapha Bin Abd Hamid	805,000	0.05	-	-	805,000	0.05	-	-
Datin Chee Yoke Kuan	-	-	-	-	-	-	-	-
Wan Nor Aida Binti Wan Azmi	-	-	-	-	-	-	-	-

Notes:-

(1) Calculated based on 1,754,268,535 BFood Shares as at the LPD which excludes the 193,364,250 BFood Shares that have been purchased and retained as Treasury Shares.

(2) Assuming the Proposed Share Buy-Back is undertaken in full and that the maximum of 194,763,278 Shares Purchased (including the 193,364,250 BFood Shares that have been purchased and retained as Treasury Shares) representing 10% of the total number of issued shares of BFood as at the LPD of 1,947,632,785 BFood Shares, are to be retained as Treasury Shares and/or to be cancelled.

Less than 0.01%.

(a) Indirect interest held pursuant to Section 59 (1)(c) of the Act.

5.5.2 Substantial Shareholders

The effects of the Proposed Share Buy-Back on the shareholdings of the substantial shareholders of BFood based on the Register of Substantial Shareholders as at the LPD are as follows:-

Substantial shareholder	No. of shares as at the LPD				No. of shares after the Proposed Share Buy-Back			
	Direct	% ⁽¹⁾	Indirect	% ⁽¹⁾	Direct	% ⁽²⁾	Indirect	% ⁽²⁾
BCorporation	29,500,000	1.68	970,274,200 ^(a)	55.31	29,500,000	1.68	970,274,200 ^(a)	55.35
BGroup	705,850,100	40.24	264,424,100 ^(b)	15.07	705,850,100	40.27	264,424,100 ^(b)	15.09
Juara Sejati Sdn Bhd	139,400,000	7.95	48,870,600 ^(c)	2.79	139,400,000	7.95	48,870,600 ^(c)	2.79

Notes:-

(1) Calculated based on 1,754,268,535 BFood Shares as at the LPD which excludes the 193,364,250 BFood Shares that have been purchased and retained as Treasury Shares.

- (2) *Assuming the Proposed Share Buy-Back is undertaken in full and that the maximum of 194,763,278 Shares Purchased (including the 193,364,250 BFood Shares that have been purchased and retained as Treasury Shares) representing 10% of the total number of issued shares of BFood as at the LPD of 1,947,632,785 BFood Shares, are to be retained as Treasury Shares and/or to be cancelled.*
- (a) *Deemed interested by virtue of its 100% interest in BGroup.*
- (b) *Deemed interested by virtue of its 100% interest in Country Farms Sdn Bhd, Berjaya EnviroParks Sdn Bhd, Juara Sejati Sdn Bhd and Teras Mewah Sdn Bhd.*
- (c) *Deemed interested by virtue of its interests in BLand, REDtone Digital Berhad, Inter-Pacific Capital Sdn Bhd and Sports Toto Berhad (the holding company of Magna Mahsuri Sdn Bhd).*

6.0 IMPLICATION RELATING TO THE CODE

- 6.1 As BFood has no intention for the Proposed Share Buy-Back to trigger the obligation to undertake a mandatory general offer under the Code by any of its substantial shareholders and/or parties acting in concert with them, the Board will ensure that only such number of BFood Shares are purchased, retained as Treasury Shares, cancelled or distributed such that the Code will not be triggered.
- 6.2 The Board is aware of the requirements of the Code and will be mindful of the requirements when making any purchase of the BFood Shares pursuant to the Proposed Share Buy-Back.

7.0 PURCHASES, RESALE, TRANSFER AND CANCELLATION OF TREASURY SHARES

- 7.1 There was no purchase of its own shares made by the Company during the preceding 12 months pursuant to the existing authority.
- 7.2 As at the LPD, there are in total 193,364,250 BFood Shares held as Treasury Shares.
- 7.3 The Company has not resold, transferred or cancelled any treasury shares during the preceding 12 months up to the LPD.

8.0 HISTORICAL SHARE PRICES

- 8.1 The table below sets out the monthly highest and lowest prices of BFood Shares as transacted on the Exchange for the preceding 12 months up to September 2023:-

	<u>High</u> RM	<u>Low</u> RM
2022		
October	1.010	0.820
November	1.090	0.920
December	1.060	0.935
2023		
January	1.100	0.960
February	1.170	0.970
March	1.040	0.900
April	0.950	0.840
May	0.920	0.590
June	0.640	0.555
July	0.725	0.595
August	0.705	0.630
September	0.775	0.660

Last transacted market price of BFood Shares as at the LPD

RM 0.745

(Source: Bloomberg)

9.0 DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

9.1 The Company is not aware of any Director or major shareholder of BFood and/or persons connected with them having any interest, direct or indirect, in the Proposed Share Buy-Back or in subsequent resale or transfer of the Treasury Shares.

10.0 DIRECTORS' RECOMMENDATION

10.1 The Board, having considered all aspects of the Proposed Share Buy-Back, is of the opinion that the Proposed Share Buy-Back is in the best interest of the BFood Group. Accordingly, they recommend that you vote in favour of the ordinary resolution in respect of the Proposed Share Buy-Back to be tabled at the forthcoming AGM.

11.0 FURTHER INFORMATION

11.1 Shareholders are requested to refer to Appendix I for further information.

FURTHER INFORMATION

1.0 RESPONSIBILITY STATEMENT

This Circular/Statement has been seen and approved by the Directors of BFood and they 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 in this Circular/Statement misleading.

2.0 MATERIAL CONTRACTS

Save as disclosed below, neither BFood nor any of its subsidiary companies have entered into any contract which is or may be material (not being contracts entered into in the ordinary course of business of the Company or any of its subsidiary companies) during 2 years immediately preceding the date of this Circular:

- (i) Sale and purchase agreements dated 22 December 2021 entered into between BStarbucks and BTSSB for the acquisition by BStarbucks of two (2) freehold commercial units with total floor area of about 24,115 square feet located at Level 10, Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur for a total cash consideration of RM15.67 million;
- (ii) Joint venture agreement dated 20 June 2022 and an amendment agreement to the joint venture agreement dated 8 September 2023 were entered into between BFood and Paris Baguette Singapore Pte. Ltd. in connection with the establishing and operating of business of producing, packaging, and dealing with baked goods under the Paris Baguette brand and/or establishing and launching the Paris Baguette stores selling baked goods in Malaysia. The initial investment cost of BFood for the joint venture of RM15 million is to be satisfied in cash. As at the LPD, BFood has invested RM10.0 million in the joint venture; and
- (iii) Joint venture cum shareholders agreement dated 1 August 2023 entered into between BFI, a wholly-owned subsidiary of BFood and Middle Trade Inc. in connection with the establishing and operating of business of producing, packaging, and dealing with baked goods under the Paris Baguette brand and/or establishing and launching the Paris Baguette stores selling baked goods in Philippines. The initial investment cost of BFI for the joint venture of Philippine Pesos (“**PHP**”) 89.7 million or (approximately RM7.51 million) is to be satisfied in cash. As at the LPD, BFI has invested PHP22.425 million in the joint venture.

3.0 MATERIAL LITIGATION

Neither BFood nor any of its subsidiary companies is engaged in any litigation, claims or arbitration either as plaintiff or defendant, which will have a material effect on the financial position of the BFood Group and the Directors of BFood are not aware of any proceeding pending or threatened against the BFood Group or of any facts likely to give rise to any proceedings which might materially and/or adversely affect the financial position or business of the BFood Group.

4.0 DOCUMENTS FOR INSPECTION

The following documents are available for inspection at the Registered Office of BFood at Lot 13-01A, Level 13 (East Wing), Berjaya Times Square, No. 1 Jalan Imbi, 55100 Kuala Lumpur, during normal office hours from Mondays to Fridays (except public holidays) from the date of this Circular/Statement up to the time set for convening the forthcoming AGM:-

- (i) Constitution of BFood;
- (ii) The audited consolidated financial statements of BFood for the past 2 financial years ended 30 June 2023; and
- (iii) Material contracts referred to in Section 2 of Appendix I.

EXTRACT OF RESOLUTIONS TO BE TABLED AT THE BFOOD FOURTEENTH AGM

ORDINARY RESOLUTION

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

“THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company and its subsidiary companies, to enter into recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.3 of Part A of the Circular to Shareholders dated 26 October 2023 (“**Proposed Mandate**”) which are necessary for the day-to-day operations and/or in the ordinary course of business of the Company and its subsidiary companies on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company and that such approval shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company following the AGM at which such ordinary resolution for the Proposed Mandate was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of the Company and its subsidiary companies to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions as authorised by this Ordinary Resolution.”

ORDINARY RESOLUTION

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

“THAT, subject always to the Companies Act 2016 (“**Act**”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Exchange**”) and the requirements of any other relevant authority, the Directors of the Company be and are hereby authorised to purchase such number of ordinary shares in the Company (“**BFood Shares**”) through the Exchange and to take all such steps as are necessary (including the opening and maintaining of a central depositories account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things in the best interests of the Company, subject further to the following:-

- 1. the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to ten per centum (10%) of the total number of issued shares of the Company;
- 2. the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits of the Company;

3. the authority shall commence immediately upon passing of this ordinary resolution until:-
- (a) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company following the AGM at which such ordinary resolution was passed, at which time it will lapse, unless by ordinary resolution passed at that general meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (b) the expiration of the period within which the next AGM after that date it is required by law to be held; or
 - (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,
- whichever occurs first;

AND THAT upon completion of the purchase(s) of the BFood Shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to deal with any BFood Shares so purchased by the Company in the following manner:-

- (a) cancel all the BFood Shares so purchased; or
- (b) retain all the BFood Shares as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or
- (c) retain part thereof as treasury shares and subsequently cancelling the balance; or
- (d) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of the Exchange and any other relevant authority for the time being in force.”