

ASIA FILE CORPORATION BHD. (313192-P)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of shareholders of the Company will be held at Merbah 1 Room, Hotel Equatorial, No. 1, Jalan Bukit Jambul, 11900 Penang on Monday, 29 September 2014 at 10.00 a.m. for the following purposes:

Agenda

As Ordinary Business:

1. To receive the Audited Financial Statements for the year ended 31 March 2014 and the Reports of Directors and Auditors thereon.
2. To re-elect the following Directors who retire pursuant to Article 80 of the Company's Articles of Association.
 - i. Mr Lim Soon Wah Ordinary Resolution 1
 - ii. Mr Ng Chin Nam Ordinary Resolution 2
3. To approve a final single tier dividend of 13.5% for the year ended 31 March 2014. Ordinary Resolution 3
4. To approve Directors' Fees of RM242,000.00 for the year ended 31 March 2014. Ordinary Resolution 4
5. To re-appoint Messrs. KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration. Ordinary Resolution 5

As Special Business:

To consider, and if thought fit, to pass the following Resolutions, with or without modification:

6. **Power to issue shares pursuant to Section 132D, Companies Act, 1965** Ordinary Resolution 6

“THAT pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the Annual General Meeting commencing next after the date on which the approval was given; or the expiration of the period within which the next Annual General Meeting after that date is required by law to be held whichever is earlier; but any approval may be previously revoked or varied by the Company in general meeting.”

7. **Proposed Renewal of Share Buy-back** Ordinary Resolution 7

“THAT subject to the compliance with all applicable rules, regulations and orders made pursuant to the Companies Act, 1965, provisions of the Company's Memorandum and Articles of Association and the requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other approvals from all relevant governmental and/or regulatory authorities:

the Directors of the Company be and are hereby authorised to purchase its own Shares through Bursa Securities, subject to the following: -

- a) The maximum number of ordinary shares which may be purchased and/or held by the Company shall be ten per centum (10%) of the issued and paid-up ordinary share capital of the Company for the time being (“Asia File Shares”);
- b) The maximum fund to be allocated by the Company for the purpose of purchasing Asia File Shares shall not exceed the retained profits and share premium account of the Company which stood at RM81.30 million and RM19.37 million respectively as at 31 March 2014 based on the audited accounts.
- c) The authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will expire at the conclusion of the next Annual General Meeting of the Company following the passing of this Ordinary Resolution or the expiry of the period within which the next AGM is required by law to be held (unless earlier revoked or varied by Ordinary Resolution in a general meeting of shareholders of the Company) but not so as to prejudice the completion of a purchase by the Company or any person before the aforesaid expiry date, in any event, in accordance with the provisions of the guidelines issued by the Bursa Securities or any other relevant authorities;
- d) Upon completion of the purchase(s) of the Shares by the Company, the Shares shall be dealt with in the following manner :-
 - i) to cancel the Shares so purchased; or
 - ii) to retain the Shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of the Bursa Securities; or
 - iii) to retain part of the Shares so purchased as treasury shares and cancel the remainder.

The Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase of Asia File Shares.”

8 Continuation in office as an Independent Director

Ordinary Resolution 8

“THAT Puan Nurjannah Binti Ali be retained as Independent Director of the Company, in accordance with the Malaysian Code on Corporate Governance 2012 until the conclusion of the next Annual General Meeting.”

9. To transact any other business of which due notice shall have been given.

DIVIDEND ANNOUNCEMENT

NOTICE IS ALSO HEREBY GIVEN that a depositor shall qualify for entitlement to the dividend only in respect of:

- (a) Shares transferred into the depositor's securities account before 4.00 p.m. on 28 November 2014 in respect of ordinary transfers; and
- (b) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

The dividends, if approved will be paid on 26 December 2014 to depositors registered in the Records of Depositors at the close of business on 28 November 2014.

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143)
ONG TZE-EN (MAICSA 7026537)
Joint Company Secretaries
Penang, 5 September 2014

Notes:

1. Appointment of proxy

- (a) A Member may appoint up to 2 proxies to attend on the same occasion. A proxy may but need not be a Member of the Company and a Member may appoint any person to be his proxy. If a Member appoints 2 proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- (b) Where a Member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint up to two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (c) Where a Member of the Company is an exempt authorised nominee which hold ordinary shares in the Company for multiple beneficial owner in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

- (d) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
- (e) For a proxy to be valid, the Proxy Form duly completed must be deposited at the Registered Office of the Company at Suite 16-1 (Penthouse Upper), Menara Penang Garden, 42A Jalan Sultan Ahmad Shah, 10050 Penang, Malaysia not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.
- (f) In respect of deposited securities, only a Depositor whose name appears on the Record of Depositors on 22 September 2014 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy to attend and/or vote in his/her behalf.

2. Explanatory Notes on Special Business

(a) Resolution 6: Power to issue shares pursuant to Section 132D, Companies Act, 1965

The proposed Ordinary Resolution 6 is for the purpose of granting a renewed general mandate ("General Mandate") and if passed, will empower the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965 to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up share capital of the Company for the time being. This General Mandate, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

As at the date of this Notice, no new shares in the Company were issued pursuant to this mandate granted to the Directors at the last Annual General Meeting held on 30 September 2013 and which will lapse at the conclusion of this Twentieth Annual General Meeting.

This General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding further investment project(s), working capital and/or acquisitions.

(b) **Resolution 7: Proposed Renewal of Share Buy-back**

The Ordinary Resolution No. 7, if passed, will allow the Company to purchase its own shares. The total number of shares purchased shall not exceed 10% of the issued and paid up share capital of the Company. This authority will, unless revoked or varied by the Company in general meeting, expires at the next Annual General Meeting of the Company.

(c) **Resolution 8: Continuation in office as an Independent Director**

The Ordinary Resolution No. 8, if passed, will allow Puan Nurjannah Binti Ali to be retained and continue acting as Independent Director to fulfill the requirements of Paragraph 3.04 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements and in line with Recommendation 3.2 of the Malaysian Code on Corporate Governance 2012. Full details of the Board's justifications and recommendation for the retention of Puan Nurjannah Binti Ali are set out under the Corporate Governance Statement in the Company's 2014 Annual Report.

Statement Accompanying Notice of Annual General Meeting:

(Pursuant to Paragraph 8.27(2) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements)

No individual is seeking election as a Director at the forthcoming Twentieth Annual General Meeting of the Company.