

Company : ASIA-FILE CORPORATION BHD ((313192-P)
 Stock Name : ASIAFLE
 Stock Code : 7129
 Type : GENERAL ANNOUNCEMENT
 Subject : NON RELATED PARTY TRANSACTION
 INVESTMENT IN AUTO-CALLABLE EQUITY-LINKED INVESTMENT

Asia File Corporation Bhd (“AFC” or “the Company”) wishes to announce that the Group has further invested RM10 million into Auto-callable Equity-Linked Investment (“the Investment”), a structured investment product issued by Maybank Investment Bank Berhad (“Maybank IB”), aggregating up to RM35 million as at to-date.

The Investment pays a regular coupon and can potentially be early redeemed or redeemed in shares rather than cash at maturity depending on the performance of the underlying shares.

Date	Amount (RM)	Type of Investment	Issuer	Underlying Shares
03-Jun-16	15,000,000	Auto-callable Equity-Linked Investment	Maybank IB	China Telecom
03-Jun-16	10,000,000			Bank of China
05-Jul-16	10,000,000			China Telecom

The Investment is part of AFC’s core strategy to maximize return on assets held by the Group taking into consideration the potential return and level of risk associated with the Investment.

The purchase consideration was satisfied in cash. The source of funding to finance the transaction was derived from internally generated funds. The Investment will not materially affect the Group’s earnings, net tangible assets and gearing for the financial year ending 31 March 2017. It will have no effect on the issued and paid up share capital and substantial shareholders’ holding in AFC as no new shares will be issued pursuant to the Investment.

None of the Directors and/or major shareholders and/or persons connected with a Director or major shareholder has any interest, direct or indirect, in the above transactions.

As the Investment is entered into with a licensed investment bank and the underlying shares are in relation to reputable international companies with proven track record, the Board of the Directors is of the view that the investment risk is minimal.

The highest percentage ratio applicable to the Investment, in accordance with paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, is 6.71%.

The Investment is not subject to the approval of AFC’ shareholders.

After taking into consideration the pertinent facts and level of risk associated with the Investment, the Board of Directors of AFC is of the opinion that the Investment is in the best interest of the AFC.

This announcement is dated 08 July 2016.