



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-Ninth (29th) Annual General Meeting (“**AGM**”) of shareholders of **ASIA FILE CORPORATION BHD.** (“**AFC**” or “**the Company**”) will be held at Olive 4 & 5, Level 6, Olive Tree Hotel, 76, Jalan Mahsuri, 11950 Bayan Lepas, Penang on Friday, 29 September 2023 at 10.00 am, or at any adjournment thereof, for the following purposes:

Agenda

As Ordinary Business:

1. To receive the Audited Financial Statements for the financial year ended 31 March 2023 and the Reports of Directors and Auditors thereon.
2. To re-elect Madam Lam Voon Kean, the Director who retire pursuant to Clause 88 of the Company’s Constitution and who, being eligible offer herself for re-election. Ordinary Resolution 1
3. To re-elect Mr. Lee Thean Yew, the Director who retire pursuant to Clause 95 of the Company’s Constitution and who, being eligible offer himself for re-election. Ordinary Resolution 2
4. To approve the payment of Directors’ fee and benefits payable up to RM600,000 for the period commencing one day after this AGM through to the next AGM of the Company in year 2024. Ordinary Resolution 3
5. To approve a final single tier dividend of 3.5 sen per ordinary share for the financial year ended 31 March 2023. Ordinary Resolution 4
6. To re-appoint BDO PLT 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 Ordinary Resolutions, with or without modification:

7. **WAIVER OF PRE-EMPTIVE RIGHTS UNDER SECTION 85 OF THE COMPANIES ACT 2016** Ordinary Resolution 6

“THAT pursuant to Section 85 of the Companies Act 2016 read together with Clause 56 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over (a) all new shares in the Company, (b) all options offered or to be offered pursuant to the Company’s Employees Share Option Scheme and (c) any offers, agreements, rights, options or other convertible securities of whatever kind in respect of any new shares in the Company AND THAT such new shares when issued, shall rank pari passu equally to the existing issued shares of the Company.”

8. **AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** Ordinary Resolution 7

“THAT, subject always to the Companies Act 2016 (“Act”) (as may be amended, modified or re-enacted from time to time), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act to issue and allot shares in the Company to such persons, at any time until the conclusion of the next Annual General Meeting (“AGM”) and upon such terms and conditions for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being.



Notice of Annual General Meeting (continued)

THAT, the Directors are also empowered to obtain the approval from the Bursa Securities for the listing and quotation for the additional shares to be issued AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.

AND THAT, the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

9. **PROPOSED RENEWAL OF AUTHORITY TO BUY BACK ITS OWN SHARES BY THE COMPANY** Ordinary Resolution 8

"THAT subject to the Companies Act 2016 ("Act") (as may be amended, modified or re-enacted from time to time), the Company's Constitution, the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and approvals of all relevant governmental and/or regulatory authorities, where applicable, the Directors of the Company be and are hereby authorised to purchase its own shares through Bursa Securities, subject to the following: -

- (i) The maximum number of ordinary shares which may be purchased and/or held by the Company shall be ten per centum (10%) of the total number of issued shares of the Company for the time being ("Asia File Shares");
- (ii) The maximum fund to be allocated by the Company for the purpose of purchasing Asia File Shares shall not exceed the retained profits of the Company which stood at RM81.90 million as at 31 March 2023 based on the audited accounts.
- (iii) The authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue be in force until:
 - (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (b) the expiration of the period within which the next AGM is required by law to be held unless earlier revoked or varied by ordinary resolution of the shareholders of the Company made before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements of the Bursa Securities or any other relevant authorities;
- (iv) Upon completion of the purchase(s) of the Asia File Shares by the Company, the Asia File Shares shall be dealt with in the following manner:-
 - (a) to cancel the Asia File Shares so purchased; or
 - (b) to retain the Asia File Shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of the Bursa Securities or;
 - (c) transfer for the purpose of or under an employee share option scheme ("ESOS") or as part of purchase consideration; or
 - (d) to retain part of the Asia File Shares so purchased as treasury shares and cancel the remainder; or



Notice of Annual General Meeting (continued)

- (e) in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

AND THAT 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.”

10. **RETENTION AS INDEPENDENT DIRECTOR**

Ordinary Resolution 9

“THAT contingent upon the passing of Ordinary Resolution 1, Madam Lam Voon Kean be retained as Independent Director of the Company, in accordance with the Malaysian Code on Corporate Governance until the conclusion of the next Annual General Meeting.”

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

DIVIDEND ANNOUNCEMENT

NOTICE IS 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 4.30 pm on 4 October 2023 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 dividend, if approved, will be paid on 26 October 2023 to depositors registered in the Records of Depositors at the close of business on 4 October 2023.

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA 7009143) (SSM PC No. 202008001023)
ONG TZE-EN (MAICSA 7026537) (SSM PC No. 202008003397)
Joint Company Secretaries
Penang, 31 July 2023

Notes:

1. Appointment of Proxy

- (a) A Member may appoint up to 2 proxies to attend and vote at the meeting. A proxy need not be a member of the Company but must be of full age of eighteen (18) years and above. 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 exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners 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.
- (c) 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.
- (d) For a proxy to be valid, the Form of Proxy duly completed must be deposited at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Penang, Malaysia not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.
- (e) In respect of deposited securities, only a Depositor whose name appears on the Record of Depositors on 20 September 2023 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy to attend and/or vote in his/her behalf.



Notice of Annual General Meeting (continued)

2. Explanatory Notes:

(a) **Ordinary Resolution 1: Re-election of Madam Lam Voon Kean as Director**

The profile of Madam Lam Voon Kean who is standing for re-election under item 2 of this Agenda is set out under the profile of directors in the Annual Report 2023. Based on the recommendation of the Nomination & Remuneration Committee (“NRC”), the Board is satisfied with the performance and contributions of Madam Lam Voon Kean and supports her re-election. Madam Lam has fulfilled the requirements of independence set out in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. She had demonstrated objectivity and commitment through proactive engagements at meetings of the Board and Board Committees held during the financial year by sharing valuable, relevant, independent and impartial (as applicable) insights, views and opinions on issues tabled for discussion. She had exercised due care and carried out her professional duties proficiently and effectively throughout her tenure as Independent Non-Executive Director (“INED”) of the Company. Madam Lam Voon Kean had abstained from deliberation and decision making on her own eligibility to stand for re-election at the meetings of the NRC and the Board.

(b) **Ordinary Resolution 2: Re-election of Mr. Lee Thean Yew as Director**

Mr. Lee Thean Yew’s background is set out under profile of directors in the Annual Report 2023. He was appointed as an INED on 30 June 2023.

The NRC had duly reviewed the qualifications, skills set and experience of Mr. Lee Thean Yew. Upon review, the NRC unanimously agreed that recommendation be made to the Board on the appointment of Mr. Lee Thean Yew as INED of the Company

As Mr. Lee Thean Yew was appointed recently, the Board concurred with the NRC that he should be given opportunity to contribute to the Company and therefore supports his re-election. Mr. Lee Thean Yew has provided confirmation of independence.

(c) **Ordinary Resolution 3: Payment of Directors’ fee and benefits**

The proposed Ordinary Resolution 3, if passed, will facilitate the payment of the Directors’ fee and benefits payable to the Directors for the period commencing one day after this AGM through to the next AGM of the Company in 2024. Details of the Directors’ fee and benefits payable to the Directors for the financial year ended 31 March 2023 are enumerated under the Corporate Governance Report.

The Directors’ fee and benefits proposed for the period commencing one day after this AGM through to the next AGM are calculated based on the number of meetings scheduled for Board and Board Committees. The Board will seek approval from the shareholders at the next AGM in the event the Directors’ fee and benefits proposed is insufficient due to an increase in the number of the Board’s and Board Committees’ meetings and/or increase in the Board size and/or revision to the existing Directors’ fee and benefits structure.

(d) **Ordinary Resolution 6: Waiver of the pre-emptive rights under Section 85 of the Companies Act 2016**

Pursuant to Section 85 of the Companies Act 2016 read together with Clause 56 of the Company’s Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities. In order for the Board to issue (a) all new shares in the Company, (b) all options offered or to be offered pursuant to the Company’s Employees Share Option Scheme (“ESOS Options”) and (c) any offers, agreements, rights, options or other convertible securities of whatever kind in respect of any new shares in the Company free of pre-emptive rights, such pre-emptive rights must be waived. The Ordinary Resolution 6, if passed, will exclude the shareholders’ pre-emptive rights over all new shares in the Company, ESOS Options and any offers, agreements, rights, options or other convertible securities of whatever kind in the Company.

(e) **Ordinary Resolution 7: Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**

The proposed Ordinary Resolution 7 is for the purpose of granting a renewed general mandate (“General Mandate”) and if passed, will empower the Directors of the Company, pursuant to Sections 75 and 76 of the Act, 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 total number of issued shares (excluding treasury shares) 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 AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

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.

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 AGM held on 29 September 2022 and which will lapse at the conclusion of this Twenty-Ninth AGM. At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make the needful announcements in respect thereof.



Notice of Annual General Meeting (continued)

(f) **Ordinary Resolution 8: Proposed Renewal of Authority To Buy Back Its Own Shares By The Company**

The Ordinary Resolution 8, if passed, will allow the Company to purchase its own shares. The total number of shares purchased shall not exceed 10% of the total number of issued shares of the Company. This authority will, unless revoked or varied by the Company in general meeting, expires at the next AGM of the Company.

(g) **Ordinary Resolution 9: Retention As Independent Director**

The Ordinary Resolution 9, if passed, will allow Madam Lam Voon Kean to be retained and continue acting as Independent Director ("ID") to fulfill the requirements of Main Market Listing Requirements of the Bursa Securities and in line with the Malaysian Code on Corporate Governance. Madam Lam Voon Kean had served as ID for a cumulative term of more than nine years.

The NRC and the Board has assessed the independence of Madam Lam Voon Kean and recommended her to continue act as an ID based on the following justifications:

- (a) She has over 35 years of experience in the fields of accounting, auditing, corporate secretarial and advisory.
- (b) She has performed her duties diligently and provided independent views during deliberations and decision-making of the Board and Board Committees.
- (c) She understood the business and operations of the Group as she has been with the Group for many years.
- (d) The length of her service on the Board does not in any way interfere with her exercise of independent judgment and ability to act in the best interest of the Group.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING:

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

No individual is standing for election as a Director at the forthcoming Twenty-Ninth Annual General Meeting of the Company.

