

ASIA FILE CORPORATION BHD.
Registration No. 199401027510 (313192-P)
(Incorporated in Malaysia)

Minutes of the Thirtieth (“30th”) Annual General Meeting (“AGM”) of Asia File Corporation Bhd. (“AFC” or “the Company”) held at Olive 4 & 5, Level 6, Olive Tree Hotel, 76, Jalan Mahsuri, 11950 Bayan Lepas, Penang, Malaysia on Friday, 27 September 2024 at 10.30 am.

DIRECTORS PRESENT : As per attendance list

IN ATTENDANCE : As per attendance list

BY INVITATION : As per attendance list

Chairman’s Welcome Address

Dato’ Lim (“Chairman”) extended a warm welcome to all shareholders, corporate representatives, proxy holders and invitees for attending this AGM.

The Chairman highlighted that voice or video recording of this meeting proceeding is strictly prohibited.

The Chairman then introduced the Board of Directors (“Board”), Chief Financial Officer, Company Secretary, and audit engagement partner of the Company.

Quorum

The Chairman called the meeting to order and proceeded with the meeting proper upon receipt of confirmation from the Company Secretary, Ms. Felicia Low Seow Wei (“Company Secretary”), that a quorum was present.

Notice of AGM

The Chairman proposed that the Notice of the 30th AGM has been taken as read and with no objection from the shareholders and proxies/corporate representative, the Chairman then continued with the business of the meeting.

The Chairman informed that voting at this meeting is taken on a poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). He then exercised his right, as Chairman of the meeting, to demand a poll in accordance with Clause 73.1 of the Company's Constitution for all seven (7) Ordinary Resolutions, which is to put for voting at this meeting by electronic poll voting (e-polling).

The Chairman further informed that shareholders and proxies are welcome to raise questions about the resolutions as stated in the agenda of this meeting. The polling process was conducted upon the conclusion of the deliberation of each item on the agenda of the meeting.

The Chairman then informed that Securities Services (Holdings) Sdn. Bhd. was appointed as the Poll Administrator to conduct the e-polling and Commercial Quest Sdn. Bhd. has been appointed as the independent scrutineers to verify the poll results.

Ms. Felicia briefed the e-polling procedures to the meeting and a trial run of e-polling was then conducted.

Minutes of the 30th AGM held on 27 September 2024 (cont'd)

1. To receive the Audited Financial Statements for the financial year ended 31 March 2024 and the Reports of Directors and Auditors thereon

1.1 The Audited Financial Statements of the Company and the Group (“AFS”) for the financial year ended 31 March 2024 (“FY2024”) together with the Reports of the Directors and Auditors, which were circulated to all shareholders, Directors and auditors within the prescribed period, were tabled for shareholders’ information.

1.2 The Chairman explained that as the AFS FY2024 was not required to be approved by the shareholders and therefore, was not put up for voting.

1.3 The meeting was informed that the Board has received written queries from the Minority Shareholder Watch Group (“MSWG”) vide their letter dated 20 September 2024. The Chairman requested the Company Secretary to assist him in presenting the questions from MSWG along with the Company’s responses which were attached hereto as Appendix A to the meeting.

1.4 As there were no questions raised, the Chairman declared that the AFS FY2024 was duly tabled and received by the shareholders.

1.5 As the next item of the agenda involved the Chairman, he has requested the Independent Non-Executive Director, Madam Lam Voon Kean to assist him in chairing the next agenda.

2. Ordinary Resolution 1

To re-elect Dato’ Lim Soon Huat who retire pursuant to Clause 88 of the Company’s Constitution and who, being eligible, has offered himself for re-election.

2.1 Madam Lam informed the meeting that Ordinary Resolution 1 was to re-elect Dato’ Lim Soon Huat who retires pursuant to Clause 88 of the Company’s Constitution and, being eligible, has offered himself for re-election.

2.2 As there was no question raised, the motion for Ordinary Resolution 1 was put to vote by way of poll. The result of the poll was tabulated and displayed on the screen as follows:

Ordinary Resolution	For		Against	
	No. of shares	%	No. of shares	%
1	140,455,226	99.9847	21,500	0.0153

2.3 As the requisite majority votes have been obtained for Ordinary Resolution 1, Madam Lam declared that Dato’ Lim Soon Huat, who was subject to retirement pursuant to Clause 88 of the Company’s Constitution, be re-elected as a Director of the Company.

2.4 Madam Lam then handed over the meeting to the Chairman.

3. Ordinary Resolution 2

To approve the payment of Directors’ fee and benefits payable up to RM600,000 for the period commencing one day after this AGM until the next AGM of the Company in year 2025.

Minutes of the 30th AGM held on 27 September 2024 (cont'd)

3.1 The Chairman informed that Ordinary Resolution 2 was to approve the payment of Directors' fee and benefits payable up to RM600,000 for the period commencing one day after this AGM until the next AGM of the Company in year 2025.

3.2 As there was no question raised, this motion was put to vote by way of poll. The result of the poll was tabulated and displayed on the screen as follows:

Ordinary Resolution	For		Against	
	No. of shares	%	No. of shares	%
2	140,476,826	100.0000	0	0.0000

3.3 As the requisite majority votes have been obtained, the Chairman declared that the Ordinary Resolution 2 for the payment of Directors' fee and benefits payable up to RM600,000 for the period commencing one day after this AGM until the next AGM of the Company in year 2025, be and is hereby approved.

4. Ordinary Resolution 3
To approve the payment of a single tier final dividend of 3.5 sen per ordinary share for the financial year ended 31 March 2024.

4.1 The meeting was informed that Ordinary Resolution 3 was to approve the payment of a single tier final dividend of 3.5 sen per ordinary share for the financial year ended 31 March 2024.

4.2 As there was no question raised, this motion was put to vote by way of poll. The result of the poll was tabulated and displayed on the screen as follows:

Ordinary Resolution	For		Against	
	No. of shares	%	No. of shares	%
3	139,141,554	100.0000	0	0.0000

4.3 As the requisite majority votes have been obtained, the Chairman declared that the Ordinary Resolution 3 for the payment of a single tier final dividend of 3.5 sen per ordinary share for the financial year ended 31 March 2024, be and is hereby approved.

5. Ordinary Resolution 4
To re-appoint Messrs. BDO PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

5.1 The Chairman informed that Ordinary Resolution 4 was to appoint Messrs. BDO PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

5.2 As no question was raised, this motion was put to vote by way of poll. The result of the poll was tabulated and displayed on the screen as follows:

Ordinary Resolution	For		Against	
	No. of shares	%	No. of shares	%
4	140,476,926	100.0000	0	0.0000

- 5.3 As the requisite majority votes have been obtained for Ordinary Resolution 4, the Chairman declared that the appointment of Messrs. BDO PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration, be and is hereby approved.

Special Business

6. Ordinary Resolution 5

Authority to Issue Shares pursuant to the Companies Act 2016 and Waiver of Pre-Emptive Rights.

- 6.1 The Chairman informed that Ordinary Resolution 5 in respect of authority to issue shares pursuant to the Companies Act 2016 (“Act”) and waiver of pre-emptive rights was primarily to give flexibility to the Board of Directors to issue and allot shares up to 10% of the total number of issued shares of the Company at any time in their absolute direction without convening a general meeting. The waiver of pre-emptive rights will allow the Directors of the Company to issue new ordinary shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate granted by the shareholders of the Company.
- 6.2 As no question was raised, this motion was put to vote by way of poll. The result of the poll was tabulated and displayed on the screen as follows:

Ordinary Resolution	For		Against	
	No. of shares	%	No. of shares	%
5	107,404,226	76.4586	33,069,500	23.5414

- 6.3 As the requisite majority votes have been obtained for Ordinary Resolution 5, the Chairman declared that the authority to issue shares pursuant to the Act and waiver of pre-emptive rights be hereby approved.

The meeting **RESOLVED**:

THAT subject always to the Companies Act 2016 (the “Act”), the Constitution of the Company, and the approvals from Bursa Malaysia Securities Berhad (“Bursa Securities”) and any relevant governmental/regulatory authority, the Directors of the Company be and are hereby empowered, pursuant to the Act, to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

THAT pursuant to Section 85 of the Act to be read together with Clause 56 of the Constitution of the Company, that approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to this mandate.

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 Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.

**7. Ordinary Resolution 6
Proposed Renewal of Share Buy-Back Authority**

7.1 The meeting was informed that Ordinary Resolution 6 was to seek the shareholders' approval on the Proposed Renewal of Share Buy-Back Authority to allow the Directors to exercise the power of the Company to purchase its own shares of up to 10% of the total number of issued shares of the Company with effect from the date of passing of the resolution until the conclusion of the next AGM or if earlier revoked or varied by the shareholders in a general meeting. The details of the Proposed Renewal of Share Buy-Back as stated in the Share Buy-Back Statement dated 31 July 2024.

7.2 As no question was raised, this motion was put to vote by way of poll. The result of the poll was tabulated and displayed on the screen as follows:

Ordinary Resolution	For		Against	
	No. of shares	%	No. of shares	%
6	140,475,326	100.0000	0	0.0000

7.3 As the requisite majority votes have been obtained for Ordinary Resolution 6, the Chairman declared that the Proposed Renewal of Share Buy-Back Authority be hereby approved.

The meeting **RESOLVED:**

THAT subject to the Companies Act 2016 (the "Act"), the Constitution of Company, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR") and the approvals of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ("Proposed Share Buy-Back") as may be determined by the Board of Directors ("Board") from time to time through Bursa Securities upon such terms and conditions as the Board may deem fit and expedient in the best interest of the Company provided that:

- a) the aggregate number of ordinary shares to be purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company; and
- b) the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the aggregate retained profits of the Company based on its Audited Financial Statements for the financial year ended 31 March 2024 of RM78,201,672;

THAT at the discretion of the Board, the shares of the Company to be purchased are proposed to be cancelled and/or retained as treasury shares and/or distributed as dividends and/or resold on Bursa Securities and/or transferred the shares for the purposes of or under an employees' share scheme in the manner as prescribed by the Act, rules, regulations and

orders made pursuant to the Act and Bursa Securities MMLR and any other relevant authorities for the time being in force;

THAT such authority shall commence immediately upon the passing of this resolution until:

- (i) the conclusion of the next Annual General Meeting of the Company following this general meeting at which such resolution was passed at which time it will lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required by law to be held; or
- (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting;

whichever occurs first.

AND THAT the Board be and is hereby authorised to take such steps to give full effect to the Proposed Share Buy-Back with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.

8. Ordinary Resolution 7

Mandate for Madam Lam Voon Kean who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as Independent Non-Executive Director of the Company

- 8.1 The Chairman informed that Ordinary Resolution 7 were to retain Madam Lam Voon Kean who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue in office.
- 8.2 Both the Nomination and Remuneration Committee and the Board have assessed the independence of Madam Lam and recommended her to continue to act as an Independent Non-Executive Director of the Company based on the justifications as set out in Explanatory Note 8 of the Notice of the Annual General Meeting, page 149 to 150 of the 2024 Annual Report.
- 8.3 As there was no question raised, this motion was put to vote by way of poll. The result of the poll in respect of this motion was tabulated and displayed on the screen as follows:

Ordinary Resolution	For		Against	
	No. of shares	%	No. of shares	%
7	104,271,686	74.2269	36,205,240	25.7731

- 8.4 Based on the polling results, the Chairman declared that Madam Lam Voon Kean, who had served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be retained and continued to act as an Independent Non-Executive Director of the Company.

Minutes of the 30th AGM held on 27 September 2024 (cont'd)

The meeting **RESOLVED** that approval be and is hereby given to Madam Lam Voon Kean, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years to continue to act as Independent Non-Executive Director of the Company in compliance with the Malaysian Code on Corporate Governance.

9. Other business to transaction of which due notice shall have been given

- 9.1 The meeting noted that no notice of any other business for transacting at this AGM had been received by the Company.

Conclusion

Upon completed the deliberation of all Agendas of the meeting, the Chairman concluded the 30th AGM and thanked all those present for their participation.

The meeting ended at 11.05 am with a vote of thanks to the Chair.

Confirmed as a correct record,

(signed)

Chairman
Dato' Lim Soon Huat

Appendix A

ANSWERS TO QUESTIONS POSTED BY THE MINORITY SHAREHOLDERS WATCH GROUP (“MSWG”) AT THE 30th AGM OF ASIA FILE CORPORATION BHD.

OPERATIONAL & FINANCIAL MATTERS

Question 1:

The consumer and food ware products segment saw revenue declining 5.3% to RM46.97million in FY2024. (page 5 of AR 2024)

Question 1(a):

a) What are the challenges faced by the Group in growing the sales of consumer and food ware products? What measures are you taking to overcome these challenges?

AFC’s response:

The Group faces challenges in growing sales of consumers and food ware products, primarily due to stagnant economic sentiment, which makes consumers more budget-conscious in their spending.

To overcome these challenges, we are focusing on ensuring our products remain competitively priced while maintaining high quality. Additionally, we are strategizing our marketing efforts to expand outreach and effectively target specific consumer groups to drive demand and also in enhancing our brand visibility in a competitive market.

Question 1(b):

b) What are the Group’s growth strategies over the next three to five years?

AFC’s response:

The Group’s target strategies over the next three to five years include:

- **Pursuing New Business Opportunities:** Leveraging our strong financial position, we aim to explore and invest in new business opportunities that align with our long-term growth objectives in order to broaden our revenue base.
- **Expanding the Consumer and Foodware Division:** We plan to grow this division by introducing new product ranges, capitalizing on our existing manufacturing infrastructure to enhance efficiency and meet demand market.
- **Enhancing Market Presence:** We will focus on strengthening our brand presence and improving our marketing strategies to better engage with targeted group of consumers.
- **Investing in Innovation:** Continuous investment in research and development will help us innovate and stay ahead of market trends.
- **Sustainable Initiatives:** We will prioritize sustainable practices in our operations and product offerings, aligning with consumer preference environmentally for friendly options.

Through these strategies, we aim to drive sustainable growth and enhance our competitive position in the market.

Question 1(c):

- c) What is the outlook for the consumer and food ware products segment?

AFC's response:

Despite the challenges posed by a stagnant economic sentiment, we remain optimistic about the outlook for the Consumer and Foodware product segment. We believe adaptability and innovation in response to evolving consumer preferences are crucial for success in this competitive industry.

By focusing on understanding consumer needs, enhancing product quality, and exploring new market opportunities, we are confident that we can drive growth and resilience in this segment. Our commitment to sustainability and effective marketing strategies will also help us strengthen our market position and meet changing consumer demands.

Question 2:

The Group's online store has consistently ranked within the top three on Shopee for several categories such as chairs, shoeboxes and storage boxes. With the increasing trend of online shopping among consumers, the Group is committed to further expanding its E-Commerce presence both locally and internationally. (page 5 and 8 of AR 2024)

Question 2(a):

- a) How much was the contribution from E-Commerce to the Group's total revenue in FY2024? Does the Group set any targets in terms of revenue contribution from the E-Commerce segment?

AFC's response:

E-commerce contributed about 9.5% out of the total local sales generated in FY 2024. We hope to further grow the revenue contribution from this market segment to about 15% of our total local sales in due time.

Question 2(b):

- a) What is the estimated market size of the consumer and food ware products in Malaysia?

AFC's response:

The local consumer market is estimated to be worth more than MYR 200 billion.

(Source: Statista Market Insights – July 2024 Update)

Question 3:

The manufacturing facilities of the Group are based in Malaysia and Europe. (page 86 of AR 2024)

Question 3(a):

- a) Please provide the sales breakdown between facilities in Malaysia and Europe for the last three years.

AFC's response:

We regret to inform to you that we are unable to provide a detailed sales breakdown between our facilities in Malaysia and Europe for the last three years. This is due to the fact that different components of our products are manufactured in various facilities, depending on factors like cost

structure and production efficiency. As such, tracking sales specifically by facilities would not accurately reflect on our operational dynamics.

Question 3(b):

- b) The strengthening Ringgit against GBP and EUR is expected to negatively impact the Group's bottom line. What are your strategies to offset the overall impact?

AFC's response:

To offset the negative impact of the strengthening Ringgit against GBP and EUR, we will closely monitor exchange rate movement and evaluate their effects on our operations. This analysis will be taken into consideration when making adjustments to our pricing strategy, allowing us to remain competitive while mitigating potential losses. Additionally, we may explore cost optimization measures and enhance operational efficiencies to further cushion the impact on our bottom line.

CORPORATE GOVERNANCE MATTERS

Question 4:

For FY2024, the Board comprises two female directors out of four directors, which meets the criteria of at least 30% women directors. What benefits has the Board experienced from gender diversity among its members? How have these benefits impacted the Board's performance?

AFC's response:

Gender diversity among the board members will offer diverse perspectives and inputs during discussion. A diverse team tends to exhibit a more well balanced opinions during deliberations, encouraging more robust interaction during board meeting and eventually leading to a more thoughtful and better decision making.

Question 5:

Practice 5.3 of the MCCG stipulates that an independent director's tenure should not exceed a cumulative term limit of nine years. If the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval through a two-tier voting process.

Madam Lam Voon Kean, one of the Company's independent directors, has served the Board as an Independent Non-Executive Director for more than nine years.

Please explain why a two-tier voting process is not adopted when seeking shareholders' approval to retain the independent director at the upcoming AGM. As her tenure has now exceeded nine years, what is the Company's plan for identifying a replacement?

AFC's response:

The Group does not adopt a two-tier voting process when seeking shareholders' approval to retain the independent director at the upcoming AGM as the Group believes that every share owned by any shareholder should carry equal weight in voting power.

In terms of succession planning, the Group is actively identifying a new independent director to ensure a smooth transition and uphold our governance standards. This process includes evaluating potential candidates who will align with our values and is able to bring diverse perspectives to the Board.

SUSTAINABILITY MATTERS

Question 6:

Fuel consumption, which comprises petrol and diesel, recorded significant increases over the last two financial years. It is the largest contributor to the Group's Scope 1 GHG emissions. (page 41 of AR 2024)

Direct – Scope 1 GHG Emissions

	FY2022	FY2023	FY2024
Fuel consumption (liter)	125,615	212,272	295,090
Heating oil consumption (liter)	38,620	29,304	31,568
LPG Gas consumption (liter)	54,622	51,979	53,675
Scope 1 GHG emission (tCO₂e)	426	627	839

Question 6(a):

- a) Does the Group have any plans to reduce fuel consumption in the future? If not, what initiatives do you plan to take to reduce Scope 1 GHG emissions?

AFC's response:

As explained in the AR, the significant increase in fuel consumption was mainly due to purchase of additional lorries to support the growing business of Consumer and Food ware and thus lessen the reliance on external transporters to deliver our products to our customers.

We are committed to optimizing our delivery planning. By refining our logistics strategies and resource allocation, we aim to improve efficiency, reduce costs, and minimize our environmental impact while continuing to meet customer demand effectively.

Question 6(b):

- b) We commend the Group's achievement in reducing GHG emissions by a total of 2,828 TCO₂e over the three-year period from FY2022 to FY2024 via the installation of solar PV system (page 40 of AR 2024). Does the Group have any plans to further reduce its Scope 2 GHG emissions? If yes, what is your target, and what is the timeline?

AFC's response:

As highlighted in our Annual Report, we have successfully installed solar photovoltaic systems at all our major manufacturing sites in Malaysia, as well as the paper mill in the United Kingdom. This initiative not only enhances our sustainability efforts but also helps reduce our carbon footprint and energy costs.

Looking ahead, we will actively consider similar solar installations in any new facilities we establish, whenever feasible. By continuing to invest in renewable energy solutions, we aim to further our commitment to sustainability and contribute positively to the environment.