

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Thirtieth (30th) Annual General Meeting (“**AGM**”) 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, 27 September 2024 at 10.30 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 2024 together with the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note 1)*
2. 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. *Ordinary Resolution 1*
3. 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. *Ordinary Resolution 2*
4. 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. *Ordinary Resolution 3*
5. 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. *Ordinary Resolution 4*

AS SPECIAL BUSINESS

To consider and, if thought fit, with or without any modification, to pass the following resolutions which will be proposed as Ordinary Resolutions:

6. **Authority to Issue Shares pursuant to the Companies Act 2016 and Waiver of Pre-Emptive Rights** *Ordinary Resolution 5*

“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;

Notice of Annual General Meeting (continued)

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. **Proposed Renewal of Share Buy-Back Authority**

Ordinary Resolution 6

"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."

Notice of Annual General Meeting (continued)

8. **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**

Ordinary Resolution 7

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

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that a single tier final dividend of 3.5 sen per share in respect of the financial year ended 31 March 2024 will be payable on 24 October 2024 to the Depositors who are registered in the Record of Depositors at the close of business on 3 October 2024, if approved by the shareholders at the forthcoming 30th AGM on 27 September 2024.

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 p.m. on 3 October 2024 in respect of ordinary transfers; and
- (b) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board,

YEOW SZE MIN, SSM PC NO. 201908003120 (MAICSA 7065735)

LOW SEOW WEI, SSM PC NO. 202008000437 (MAICSA 7053500)

Company Secretaries

Penang

31 July 2024

(A) Notes: -

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 19 September 2024 (General Meeting Record of Depositors) shall be eligible to participate in the 30th AGM.
2. A Member may appoint up to two (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 two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
3. 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.

Notice of Annual General Meeting (continued)

4. 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.
5. The instrument appointing proxy(ies) may be made in hardcopy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 30th AGM or any adjournments thereof:

(i) In Hardcopy Form

The proxy form shall be deposited at the Registered Office of the Company at Suite 18.05, MWE Plaza, No. 8, Lebuhr Farquhar, 10200 George Town, Pulau Pinang, Malaysia.

(ii) By Electronic Means

The proxy form shall be electronically lodged by fax to +604-262 8544 or by email to info@sshhsb.com.my.

6. Poll Voting

Pursuant to Paragraph 8.29A(1) of the Listing Requirements, all resolutions set out in this notice will be put to vote by way of a poll.

(B) Explanatory Notes:

1. Audited Financial Statements for the financial year ended 31 March 2024

The first agenda of this meeting is meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval for the audited financial statements from the shareholders. Hence, this Agenda is not put forward to shareholders for voting.

2. Ordinary Resolution 1 – Re-election of Director who retires in accordance with the Company's Constitution

Clause 88 of the Company's Constitution states that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an Annual General Meeting ("AGM") of the Company. All the Directors shall retire from office at least once in each three (3) years but shall be eligible for re-election.

Dato' Lim Soon Huat who retires in accordance with Clause 88 of the Company's Constitution and being eligible, has offered himself for re-election.

In determining the eligibility of the Director to stand for re-election at the forthcoming AGM, the Nomination and Remuneration Committee ("NRC") has considered the evaluation on the effectiveness of the Director in terms of character, experience, integrity, competency and time in discharging his roles as Director of the Company.

The Board (save for the retiring Director who had abstained from deliberation and voting) accepted the NRC's recommendation that the Director who retires in accordance with Clause 88 of the Company's Constitution met the fit and proper criteria and is eligible to stand for re-election.

The profile of the Director who is standing for re-election as per Agenda item 2 of the Notice of the 30th AGM is stated in the Annual Report 2024.

Notice of Annual General Meeting (continued)

3. Ordinary Resolution 2 – Proposed payment of Directors’ remuneration

Section 230(1) of the Act provides amongst others, that the fee of the Directors and any benefits payable to the Directors of a listed company shall be approved at the general meeting. Pursuant thereto, shareholders’ approval is sought for the payment of fees and benefits payable to Directors, in Ordinary Resolution 2 as follow:

Ordinary Resolution 2 – Payment of Directors’ fee and benefits for the period commencing one day after this AGM until the next AGM of the Company in year 2025.

The fees and benefits payable to each Director pursuant to Section 230(1)(b) of the Act have been reviewed by the Board of Directors of the Company, all of whom have recognised that the fees and benefits payable are in the best interest of the Company. The meeting allowance will be accorded based on the attendance of the Director at meetings.

In the event the proposed amount is insufficient, e.g. due to enlarged Board size, approval will be sought at the next AGM for the shortfall.

4. Ordinary Resolution 3 – Declaration of a single tier final dividend for the year ended 31 March 2024

In accordance with Clause 144 of the Constitution, the Company may make a distribution of dividends to the members out of profits of the Company available if the Company is solvent, but no dividend shall exceed the amount as authorised by the Board.

On 31 May 2024, the Board had recommended a final dividend of 3.5 sen per share in respect of this financial year ended 31 March 2024 to be paid to its shareholders subject to the approval of the shareholders at the 30th AGM of the Company.

Pursuant to Paragraph 8.26 of the Listing Requirements, the single tier final Dividend, if approved, shall be paid not later than three (3) months from the date of the shareholders’ approval.

5. Ordinary Resolution 4 – Re-appointment of Auditors

Pursuant to Section 271(3)(b) of the Act, shareholders shall appoint auditors who shall hold office until the conclusion of the next AGM in year 2025. The current auditors, Messrs BDO PLT has expressed their willingness to continue in office.

The Board and the Audit Committee (“AC”) have considered the re-appointment of Messrs BDO PLT as auditors of the Company and collectively agreed that Messrs BDO PLT has met the relevant criteria prescribed by Paragraph 15.21 of the Listing Requirements.

The Board wishes to seek shareholders’ approval for the re-appointment of Messrs BDO PLT as external auditors of the Company to hold the office until the conclusion of the next AGM.

6. Ordinary Resolution 5 – Authority to issue shares pursuant to the Companies Act 2016 and Waiver of Pre-emptive Rights

The proposed Ordinary Resolution 5 is primarily to seek for the renewal of the Previous Mandate (as defined herein) to give flexibility to the Board to issue and allot shares up to 10% of the total number of issued share (excluding treasury shares) of the Company for the time being, at any time to such persons in their absolute discretion for such purposes as the Board considers to be in the best interests of the Company (hereinafter referred to as the “General Mandate”).

Notice of Annual General Meeting (continued)

The Company had been granted a general mandate by its shareholders at the last AGM held on 29 September 2023 of which will lapse at the conclusion of the 30th AGM (hereinafter referred to as the "Previous Mandate").

The Previous Mandate granted by the shareholders had not been utilised and therefore, no proceed been raised therefrom.

The General Mandate, upon renewal, will provide flexibility to the Company to undertake any possible fund raising activities, including but not limited to placement of shares, for the purpose of funding Company's future investment projects, working capital, acquisitions and/or such other purposes as the Directors may deem fit, without having to convene a general meeting, provided that the aggregate number of the shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

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.

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

The proposed Ordinary Resolution 6, if passed, will empower the Directors of the Company to exercise the power of the Company to purchase the Company Shares of not more than 10% of the total number of issued shares of the Company at any time within the time period stipulated in the Bursa Securities MMLR by utilising the funds allocated which shall not exceed the total retained profits of the Company. This authority, unless revoked or varied at a meeting of members, shall continue to be in full force until the conclusion of the next AGM.

Please refer to the Share Buy-Back Statement dated 31 July 2024 which is despatched together with the Company's Annual Report 2024 for further information.

8. Ordinary Resolution 7 – To retain Independent Non-Executive Director to continue to act as Independent Non-Executive Director of the Company

The Ordinary Resolution 7, if passed, will enable Madam Lam Voon Kean who has served the Board as an Independent Non-Executive Director ("INED") for a cumulative term of more than nine years, to be retained as an INED of the Company. In line with the Malaysian Code on Corporate Governance, the Company is seeking shareholders' approval for the continuation in office of Madam Lam Voon Kean as INED.

The NRC and the Board has assessed the independence of Madam Lam Voon Kean and recommended her to continue act as an INED 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.

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- (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.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 30th AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 30th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING:

(Pursuant to Paragraph 8.27(2) of MMLR)

As at date of this notice, there are no individuals who are standing for election as Directors (excluding the above Director who is standing for re-election or re-appointment) at this forthcoming Thirtieth (30th) AGM.