

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

Minutes of the Twenty-Seventh Annual General Meeting (“**27th AGM**”) of Asia File Corporation Bhd. (“**AFC**” or “**the Company**”) conducted on a fully virtual basis through live streaming and online remote participation by using Remote Participation and Voting (“**RPV**”) Facilities via online meeting platform at www.agriteum.com.my on Thursday, 30 September 2021 at 10.00 am

Present : As per attendance list.

In attendance : As per attendance list.

By invitation : As per attendance list.

The list of attendees at the 27th AGM is set out in the Attendance List as attached and which formed an integral part of these minutes.

Chairman’s Welcome Address

Chairman of the Board of Directors of the Company (“**Board**”), Dato’ Lim Soon Huat, (“**Dato’ Chairman**” or “**Dato’ Lim**”) extended a very warm welcome to all shareholders, corporate representatives and proxy holders (collectively, the “**shareholders**”) as well as guests for their attendance at today’s 27th AGM and for their continued support.

Dato’ Chairman then introduced his fellow Board members, the Company Secretary and the engagement partner of the external auditors, BDO PLT.

Dato’ Chairman proceeded to inform that the Company had decided to leverage on technology to conduct the 27th AGM in a fully virtual environment by using RPV Facilities via an online meeting platform at www.agriteum.com.my. This online platform is recognised as a meeting venue or place for the purpose of Section 327(2) of the Companies Act 2016 as clarified in the Frequently Asked Questions (“**FAQs**”) on Virtual General Meetings issued by Companies Commission of Malaysia on 8 June 2021. It is also in compliance with Clause 63 of the Constitution of the Company and the revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by Securities Commission Malaysia on 1 June 2021 bearing in mind the need to ensure safety of all participants whilst ensuring that the 27th AGM is held within the stipulated time frame.

Dato’ Chairman also reminded the shareholders of the administrative procedures to facilitate the smooth running of the AGM. Given that the 27th AGM is conducted in a fully virtual environment, Dato’ Lim shared the contingency plan put in place in the event his internet connection is destabilised. When such an event occurred resulting in him being disconnected from the meeting, the chairmanship of the 27th AGM would be deputised by Mr. Ng Chin Nam, Independent Non-Executive Director and Chairman of the Audit Committee.

Notice of Meeting

Dato’ Chairman informed the shareholders that notice of the 27th AGM was announced and circulated to shareholders, Directors and auditors on 30 August 2021. The same was also published through an announcement to Bursa Malaysia Securities Berhad (“**Bursa Securities**”), newspapers and the Company’s website respectively. The Notice of the 27th AGM was declared be taken as read.

Call to order and determination of quorum

Chairman called the meeting to order and proceeded with the meeting proper upon receipt of confirmation from the Company Secretary, Ms. Ong Tze-En, that a quorum was present.

Dato' Chairman informed that voting at this meeting would be conducted on a poll in accordance with para 8.29A of the Main Market Listing Requirements of Bursa Securities ("MMLR"). He then exercised his right, as Chairman of the meeting, to demand for poll in accordance with Clause 73.1 of the Company's Constitution for all eight (8) ordinary resolutions as stated in the Notice of the 27th AGM.

Chairman invited shareholders to submit questions (if any) through the Q&A icon in the Zoom and further informed the participating shareholders that questions would be addressed during the Question & Answers session later. He also mentioned that where there are areas of overlap in the scope of the questions asked, the related and similar questions would be grouped and the Company would then provide its responses accordingly.

Voting Procedures

He also informed that AGRITEUM Share Registration Services Sdn. Bhd. was appointed as the Poll Administrator to conduct the poll by way of electronic means while Symphony Merchant Sdn. Bhd. was appointed as Independent Scrutineer to verify the poll results.

The polling process would be conducted electronically through the RPV Facilities upon conclusion of the deliberations of all items on the meeting agenda. It was also highlighted that the voting session had commenced from the start of the meeting until such a time to be announced later.

- 1. To receive the Audited Financial Statements for the financial year ended 31 March 2021 and the Reports of Directors and Auditors thereon**
- 1.1 The Audited Financial Statements and Reports of the Auditors and Directors for the financial year ended 31 March 2021 ("FY2021"), which were circulated to all shareholders, Directors and auditors within the prescribed period, were tabled for shareholders' information.
- 1.2 Dato' Chairman explained that the Audited Financial Statements and Reports of the Auditors and Directors for FY2021 were not required to be approved by the shareholders and therefore, would not be put up for voting.
- 1.3 He then declared that Audited Financial Statements and Reports of the Auditors and Directors for FY2021 were duly received and noted.

2. Ordinary Resolution 1

To re-elect the following Director who retire pursuant to Clause 88 of the Company's Constitution and who, being eligible offer herself for re-election:

(a) Madam Lam Voon Kean

2.1 Dato' Chairman informed that Ordinary Resolution 1 dealt with the re-election of Madam Lam Voon Kean as Director of the Company. Madam Lam Voon Kean retired pursuant to Clause 88 of the Company's Constitution and being eligible, had offered herself for re-election.

2.2 On Dato' Chairman's proposal, the motion was put to vote by poll.

3. Ordinary Resolution 2

To approve the payment of Directors' fee and benefits payable up to RM550,000 for the period commencing this AGM through to the next AGM of the Company in year 2022

3.1 Dato' Chairman informed that Ordinary Resolution 2 was to approve the payment of Directors' fee and benefits payable up to an amount of RM550,000 for the period commencing this 27th AGM until the next AGM of the Company in 2022. The motion was put to vote by way of poll on Dato' Chairman's proposal.

4. Ordinary Resolution 3

To approve a final single tier dividend of 1.5 sen per ordinary share for the year ended 31 March 2021

4.1 Dato' Chairman informed that Ordinary Resolution 3 was to seek approval from shareholders on payment of a final dividend. The Board had recommended a final single tier dividend of 1.5 sen per ordinary share for FY2021. The final dividend, upon approval of shareholders, would be paid on 28 October 2021 to all members whose names appear on the record of Depositors at the close of business on 6 October 2021.

4.2 The motion for Ordinary Resolution 3 was put to vote by way of poll.

5. Ordinary Resolution 4

To re-appoint BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration

5.1 Next on the agenda was Ordinary Resolution 4. Dato' Chairman said that it concerned the re-appointment of BDO PLT as Auditors of the Company for the ensuing year and authorisation for the Directors to fix their remuneration. BDO PLT had expressed their willingness to accept the re-appointment.

5.2 The motion for Ordinary Resolution 4 was put to vote by way of poll.

5.3 Chairman went on to table the Ordinary Resolutions under Special Business.

Special Business

6. Ordinary Resolution 5

Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016

- 6.1 Dato' Chairman informed that Ordinary Resolution 5, if passed, would empower the Directors to issue shares up to an aggregate amount not exceeding 10% of the total number of issued shares (excluding treasury shares) of the Company. Dato' Chairman informed that this authority, unless revoked or varied at a general meeting, would be expired at the conclusion of the next AGM in year 2022.
- 6.2 Dato' Chairman added that an approval today would give the Board a certain amount of flexibility, when the need arise, to issue additional shares subject to approval of all relevant regulatory bodies being obtained where necessary.
- 6.3 On Dato' Chairman's proposal, the following motion was put to vote by poll:

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act") and subject always to the approval of all the relevant regulatory authorities, the Board of Directors of the Company be and is hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors 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 to be in force until the conclusion of the next Annual General Meeting ("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."

7. Ordinary Resolution 6

Proposed Renewal of Authority to Buy Back Its Own Shares by the Company

- 7.1 Dato' Chairman informed that the passing of Ordinary Resolution 6 by the shareholders would 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.
- 7.2 He further informed that details of the Proposed Renewal of Authority to Buy-Back its own Shares by the Company are set out in comprehensive form in the Statement to shareholders accompanying the 2021 Annual Report.

7.3 On Dato' Chairman's proposal, the following motion was put to vote by poll:

"THAT subject to the compliance with all applicable rules, regulations and orders made pursuant to the Act, provisions of the Constitution of the Company and the requirements of the Bursa Malaysia Securities Berhad 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: -

- (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 RM18.93 million as at 31 March 2021 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 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) to retain part of the Asia File Shares so purchased as treasury shares and cancel the remainder;
 - (d) 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.”

8. Ordinary Resolution 7

Retention as Independent Director

- 8.1 Dato’ Chairman informed the meeting that Ordinary Resolution 7 concerned the retention of Puan Nurjannah Binti Ali as an Independent Non-Executive Director (“INED”) of the Company until the next AGM. Dato’ Chairman further informed that Puan Nurjannah Binti Ali had served as an INED of the Company for a cumulative term of more than twelve (12) years.
- 8.2 He added that the Board had recommended for the continuation of Puan Nurjannah Binti Ali as INED. Details of the Board’s justifications and recommendations for retaining her were set out under the Corporate Governance Overview Statement on page 14 of the Annual Report 2021.
- 8.3 On Dato’ Chairman’s proposal, the following motion was put to vote by poll:

“THAT Puan Nurjannah Binti Ali 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.”

9. Ordinary Resolution 8

Retention as Independent Director

- 9.1 Dato’ Chairman informed the meeting that Ordinary Resolution 8 concerned a proposal to retain Mr. Ng Chin Nam as an INED of the Company until the next AGM. Dato’ Chairman added that Mr. Ng Chin Nam had served as an INED of the Company for a cumulative term of more than nine (9) years since his appointment.
- 9.2 Details of the Board’s justifications and recommendations for retaining Mr. Ng Chin Nam were set out under the Corporate Governance Overview Statement on page 14 of the Annual Report 2021.
- 9.3 On Dato’ Chairman’s proposal, the following motion was put to vote by poll:

“THAT Mr. Ng Chin Nam 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.”

10. Any other business

- 10.1 The last item on the meeting agenda for this 27th AGM was to transact any other business for which due notice shall have been received in accordance with the Companies Act 2016. Dato' Chairman noted from the Company Secretary that the Company had not received any notice for transaction of any other business in this meeting.

11. Questions & Answers ("Q&A") Session

- 11.1 Dato' Chairman then read out the responses from the Company to all questions from shareholders. He added that questions that were similar to one another were grouped for a more structured approach to response. The questions from shareholders were also edited and condensed for clarity.

Q1. In response to the question on the development or future plan of the food ware division, the Chairman explained that a lot of effort has been spent to grow the sales in this new division. The Group aimed to grow this new venture by a double digit growth rate for the next five years. For the question on any plan to explore this division to foreign markets, the Chairman answered that the management would explore oversea markets in due time.

Q2. In response to the enquiry on the Group's competitive strength compared to other food ware players, the Chairman replied that the Group always pride itself as being one of the leanest and most innovative manufacturers in the filing industry and the Group is replicating the same approach in manufacturing any new products. He further added that the Group's methodologies are to buy well, produce quality products efficiently and sell strategically.

Q3. With regards to the shareholders' concern on the rationale of the Company in increasing stake in Muda Holdings Berhad. ("MUDA"), the Chairman explained that MUDA has been an associate company of Asia File for many years, the management understand the business of MUDA well and see the value in the company especially during the current supply chain crisis.

Q4. Referring to the question from shareholder on the Company's view relating to the entry of China paperboard producer into Malaysia market as a threat to MUDA, the Chairman responded that MUDA's Managing Director had answered this question during their AGM held in June 2021. The paperboard produced by MUDA has its own niche and may differ from the type of papers produced by the Chinese plants. For those similar products produced by the Chinese paper mills, they are being sold at the prevailing market prices and as such will not erode the selling prices offered by MUDA. Furthermore, most of the Chinese plants manufacture recycled pulp for export back to China for their own consumption.

Q5. In response to the question on the acquisition of Supportive Technology Sdn. Bhd., the management clarified that the Company has done its due diligence and is very confident that the acquisition will add value to the Company's diversification plan and provide synergetic benefit to the growth of its business

Q6.	On the question of the challenges facing by the Group, the Chairman explained that the Group is dealing with uncertainties arising from Covid-19 pandemic and many headwinds such as unprecedented high sea freight cost, rising energy costs in UK and Europe and global supply chain disruptions. As always, the Group will do its best to navigate through all these challenges.
Q7.	With regards to the enquiry on the Company's plan for the filing division and the reduction in sales for this division, the Chairman replied that despite the decline in the sales for filing division, files usage will always remain. Moreover, with the current few market players left, Asia File will maintain as one of the fittest in the industry. The Group has noted some stability in sales from UK and Europe markets.
Q8.	As to whether the revenue from the food ware division is enough to compensate the reduction in sales for filing division in years to come, the Chairman explained that the Group is working hard to fill the drop in revenue generated from filing products with new food wares and consumer wares. This can be seen from June 2021 results, where the quarterly sales were the best for the past two years.
Q9.	In response to several enquiries from shareholders on the giving of door gift, e-wallet top up, e-vouchers and etc for attending the virtual AGM, the Chairman regret to inform that the Company does not practice door gift policy for AGM.
Q10.	On the question of percentage of revenue generated from export markets and sales generated from Germany and UK plants, the management informed that more than 75% of the Group's revenue was contributed from oversea markets with some of the export businesses are handled directly from the oversea plants. The end products sold to the oversea customers could be produced jointly by the facilities in Malaysia, Germany or UK.
Q11.	Environmental, Social and Governance being a rising concern especially amongst investors and considering Asia File's recent venture into consumer and food ware products. In response to the question posted by shareholder relating to the Company's business model in adapting to the above, the management explained that most of the materials used for the new venture is recyclable. For example, the plastic trimmings for the containers, storage boxes and lunch boxes, could be recycled and re-used in the production.
Q12.	In response to the question posed on protection of foreign workers, the management informed that the Group adheres to the rules and regulation imposed by the local authority.
Q13.	With regards to the enquiry of a lower dividend payout as compared to previous financial years, the Chairman explained that the Company is venturing into new business outside the traditional filing business which required additional capital. The management will consider a better reward to the shareholders when the Group's business is back on a stronger footing.
Q14.	In response to the enquiry on the cost for holding virtual AGM, the Company informed that holding a virtual AGM is more expensive as compared to the physical AGM.

12. Polling Process

- 12.1 The representative of Poll Administrator played a video on the polling procedures for the conduct of poll at the AGM. The castings of votes by the shareholders and duly observed by the Independent Scrutineer.
- 12.2 After allowing 5 minutes for submission of votes and with consent of the Meeting, Dato' Chairman declared closure of voting at 10.36 am for 15 minutes to allow for poll verification process by the Independent Scrutineer.

13. Announcement of Polling Results

- 13.1 At 10.51 am, Dato' Chairman called the Meeting to order for the declaration of the poll results in respect of the eight (8) Ordinary Resolutions. He thanked shareholders and invitees for their patience to wait for the results of the poll.
- 13.2 The poll results (attached herein as Appendix A) were scrutinized and verified by the Independent Scrutineer.
- 13.3 Dato' Chairman proceeded to announce the results of the poll as follows and the results of the poll were also projected for ease of view by all.

Ordinary Resolution	For		Against	
	No. of shares	%	No. of shares	%
1	144,454,936	99.9764	34,064	0.0236
2	144,473,855	99.9837	23,545	0.0163
3	144,494,400	99.9979	3,000	0.0021
4	144,492,396	99.9979	3,004	0.0021
5	106,655,655	73.8115	37,841,745	28.1885
6	106,663,359	73.8168	37,834,041	26.1832
7	106,750,840	73.8773	37,746,560	26.1227
8	106,750,840	73.8773	37,746,560	26.1227

- 13.4 Based on the poll results, Dato' Chairman then declared that all eight (8) Ordinary Resolutions as tabled at the AGM were approved and carried by a majority votes.
- 13.5 It was **RESOLVED:**

ORDINARY RESOLUTION 1

"THAT Madam Lam Voon Kean be and is hereby re-elected as Director of the Company pursuant to Clause 88 of the Company's Constitution."

ORDINARY RESOLUTION 2

“THAT the payment of Directors’ Fees and benefits payable to the Directors up to an amount of RM550,000 for the period commencing this 27th Annual General Meeting until the next Annual General Meeting of the Company in 2022 be and is hereby approved.”

ORDINARY RESOLUTION 3

“THAT, a final single tier dividend of 1.5 sen per ordinary share for financial year ended 31 March 2021 be and is hereby approved for payment on 28 October 2021 to all members whose names appear on the Record of Depositors at the close of business on 6 October 2021.”

ORDINARY RESOLUTION 4

“THAT BDO PLT be and are hereby re-appointed as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting and the Directors be and are hereby authorised to fix their remuneration.”

ORDINARY RESOLUTION 5

AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (“the Act”) and subject always to the approval of all the relevant regulatory authorities, the Board of Directors of the Company be and is hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors 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 to be in force until the conclusion of the next Annual General Meeting (“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.”

**ORDINARY RESOLUTION 6
PROPOSED RENEWAL OF AUTHORITY TO BUY BACK ITS OWN SHARES BY
THE COMPANY**

“THAT subject to the compliance with all applicable rules, regulations and orders made pursuant to the Act, provisions of the Constitution of the Company 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: -

- (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 RM18.93 million as at 31 March 2021 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) to retain part of the Asia File Shares so purchased as treasury shares and cancel the remainder;
 - (d) 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.”

**ORDINARY RESOLUTION 7
RETENTION AS INDEPENDENT DIRECTOR**

“THAT Puan Nurjannah Binti Ali 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.”

**ORDINARY RESOLUTION 8
RETENTION AS INDEPENDENT DIRECTOR**

“THAT Mr. Ng Chin Nam 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.”

Conclusion

There being no further business, the meeting closed at 10.50 am with a vote of thanks to the Chairman.

Confirmed as a correct record

Chairman

Asia File Corporation Bhd.

Twenty-Seventh (27th) Annual General Meeting on 30-Sep-2021 at 10.00a.m.

Attendance List

Members of the Board of Directors present:

Dato' Lim Soon Huat

Chairman

Present at broadcast venue

Mr Ng Chin Nam

Independent, Non-Executive Director

Joined via video-conferencing

Madam Lam Voon Kean

Independent, Non-Executive Director

Joined via video-conferencing

Puan Nurjannah Binti Ali,

Independent, Non-Executive Director

Joined via video-conferencing

In Attendance:

Ms Ong Tze-EN

Joint Company Secretary

Joined via video-conferencing

By Invitation

Ms. Goh Phaik Ngoh

Chief Financial Officer

Present at broadcast venue

Ms. Lee Beng Tuan

External auditors, Messrs. BDO PLT

Joined via video-conferencing

Members/Proxy Holders/Corporate Representatives participated through RPV

Total number of members participated: 48

Total number of proxy holders participated: 4

Total number of corporate representatives participated: 1

Total number of proxies received appointing the Chairman: 13