



ASIA FILE CORPORATION BHD.



Website  
[www.asia-file.com](http://www.asia-file.com)



Contact  
04-642 6601

# ANNUAL REPORT 2025

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**31<sup>st</sup>**

Annual General  
Meeting



Tuesday  
30th September 2025  
10:00am



Olive Tree Hotel  
Level 6, Olive 4 & 5,  
76, Jalan Mahsuri,  
11950 Bayan Lepas, Penang



For more information  
visit our website  
[www.asia-file.com](http://www.asia-file.com)

## Corporate Information



### Company Secretaries

**Yeow Sze Min**

(MAICSA 7065735) (SSM PC No. 201908003120)

**Low Seow Wei**

(MAICSA 7053500) (SSM PC No. 202008000437)

### Board Of Directors

**Dato' Lim Soon Huat**

(Executive Chairman)

**Chua Hooi Luan**

(Independent Non-Executive Director)

**Lee Thean Yew**

(Independent Non-Executive Director)

**Lam Voon Kean** (retired on 30 June 2025)

(Independent Non-Executive Director)

**Koay Siu Hoay** (appointed on 30 June 2025)

(Independent Non-Executive Director)

### Registered Office

Suite 18.05, MWE Plaza,

No. 8, Lebuhr Farquhar,

10200 George Town, Pulau Pinang.

Tel : 04-263 1966 Fax : 04-262 8544

Email: info@sshsb.com.my

### Registrar

Securities Services (Holdings) Sdn Bhd (Penang)

197701005827 (36869-T)

Suite 18.05, MWE Plaza,

No. 8, Lebuhr Farquhar,

10200 George Town, Pulau Pinang.

Tel : 04-263 1966 Fax : 04-262 8544

Email: info@sshsb.com.my

### Principal Place of Business

Plot 16, Kawasan Perindustrian Bayan Lepas,

Phase IV, Mukim 12,

11900 Bayan Lepas, Penang.

Tel : 04-642 6601 Fax : 04-642 6602

### Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad

### Auditors

BDO PLT

201906000013 (LLP0018825-LCA) & AF 0206



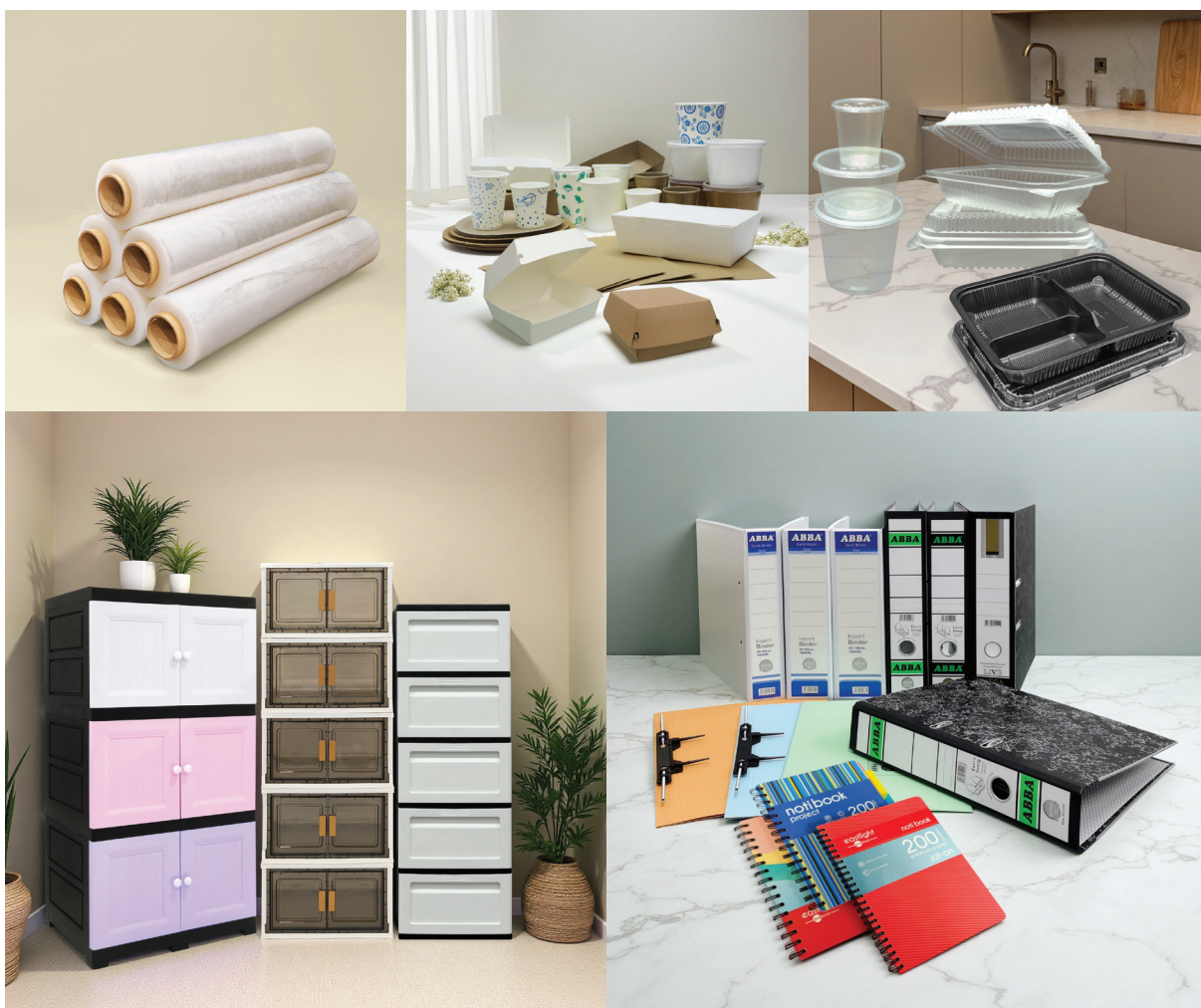
# Management Discussion and Analysis

## Introduction

Asia File Corporation Bhd. ("AFC") listed on the Stock Exchange of Malaysia since 1996 has established itself as a trusted manufacturer of filing products and consumer products. Over the decades, AFC and its subsidiaries ("the Group") have built a global reputation for delivering high quality and durable products at competitive prices.

Headquartered in Penang, Malaysia, the Group operates an integrated network of production and warehousing facilities comprising of:

- Seven (7) production and warehousing sites in Malaysia, serving as key hubs for manufacturing and distribution within the region.
- Two (2) manufacturing plants and one (1) paper mill located in the United Kingdom. The mill produces a wide range of coloured paper and board, for both internal use and also supplying to external customers in the filing, educational and specialty segments.
- Two (2) manufacturing facilities strategically situated in Germany which help to strengthen the Group's presence and market access across the European region.



The Group's core product offering has traditionally centered on filing products and filing accessories, made from quality paperboard, plastics and metals. These products are exported across various global markets including Europe, America, Australia, New Zealand, Middle East, Africa and Asia Pacific, underscoring the Group's prominence in the global filing industry.



## Management Discussion and Analysis (continued)

In response to the shift in market landscape amidst the declining demand for traditional filing products as a result of heightened pace of digitalisation, the Group has undertaken strategic diversification efforts. In recent years, the Group has expanded into the Industrial, Consumer & Food Ware segment under its flagship brand “ABBAware” with packaging film and trolleys being the latest additions among its newly launched products.

The success of this diversification is evidenced in the growing revenue contribution from the Industrial, Consumer & Food Ware segment which grew to over 19.58% of total revenue in the current financial year as compared to only 15.97% one year ago. This growth was driven largely by increased penetration into digital and E-commerce channels which continue to play a pivotal role in the Group’s transformation and consumer engagement strategy.

As the Group continues to navigate through the evolving market dynamics, its long-standing commitment to product quality, operational efficiency and brand reliability remain central to its overall business strategy. The Group’s diversified business model, robust manufacturing capabilities and its unwavering focus on product innovation has positioned itself well for long term resilience and sustainable growth.

### Financial Overview

	FY 2025 RM’000	FY 2024 RM’000
Revenue	275,130	294,235
Results from operations	27,279	52,322
<b>Operating margin (%)</b>	<b>9.91%</b>	<b>17.78%</b>
Impairment losses on:		
- Investment in an associate	(53,576)	-
- Intangible asset	(2,185)	-
Share of loss of an associate	(15,791)	(1,096)
Finance cost	(39)	(119)
Interest and distribution income	13,421	13,620
<b>(Loss) / Profit before tax (“LBT” / “PBT”)</b>	<b>(30,891)</b>	<b>64,727</b>
<b>LBT% / PBT %</b>	<b>(11.23%)</b>	<b>22.00%</b>
Tax expense	(12,303)	(12,533)
<b>(Loss) / Profit after tax (“LAT” / “PAT”)</b>	<b>(43,194)</b>	<b>52,194</b>
<b>LAT% / PAT %</b>	<b>(15.70%)</b>	<b>17.74%</b>
<b>Shareholders’ fund</b>	<b>724,228</b>	<b>791,961</b>
<b>Short-term funds, cash and bank balances</b>	<b>355,298</b>	<b>321,787</b>
<b>Net asset per share (sen)</b>	<b>382.47</b>	<b>406.63</b>

## Management Discussion and Analysis (continued)

For the financial year ended 31 March 2025, the Group recorded a total revenue of RM275.13 million, representing a decline of approximately 6.49% compared to RM294.24 million achieved one year ago. The contraction in revenue was largely due to continued structural shifts in the filing industry, driven by accelerating digitalisation and the widespread adoption of paperless practices globally.

The filing division which remains the Group's main revenue contributor, posted a total revenue of RM221.17 million, a 10.52% reduction from RM247.18 million achieved in FY 2024. Despite the decline, the Group has maintained its competitive edge by maintaining strong brand presence within the local filing industry while upholding its position as one of the leading global filing suppliers.

The Industrial, Consumer and Food Ware segment continues to gain traction as a strategic growth pillar for the Group. Revenue for the segment grew impressively from RM27.32 million in FY 2021 to RM53.88 million in FY 2025. Compared to the RM46.97 million recorded in the previous financial year, this represents a solid year-on-year growth of 14.71%. The improvement was largely driven by stronger performance in E-commerce sales, which surged by 82.65% compared to one year ago.

Recognising the transformative impact of digital platforms on shaping modern consumer behaviour, the Group has further intensified its digital engagement efforts during FY 2025. These included active participation in live-streaming promotions, enhanced product listings and also a series of targeted campaigns initiated across the various online platforms. As a result, online visibility and customer engagements continued to show positive outcome which further reinforcing the Group's digital presence.

New product launches, particularly in the category of storage solutions, such as multi-functional cabinet and stackable vertical boxes have received positive responses from the market. Several product lines under "ABBAware" brand have consistently ranked among the bestsellers in major online marketplaces. These achievements validate the Group's commitment to delivering practical, high quality and competitively priced products that resonate well with the evolving consumers' needs. The Group will continue to innovate and launch new products which will be made available in multiple channels, including both the retail and online platforms to further reinforce the Group's digital presence.

### Operating Profits

For the financial year ended 31 March 2025, the Group recorded an operating profit of RM27.28 million, compared to RM52.32 million achieved in the preceding financial year.

The Group's operating margin stood at 9.91% compared to 17.78% in the previous year. The decline in margin reflects a combination of external cost pressures and currency headwinds that affected the Group's overall profitability. During the earlier quarters of the financial year, the Group was hit with higher sea freight costs due to global shipping disruptions caused by the Red Sea crisis.

Additionally, the Group recorded a foreign exchange loss of RM8.47 million in FY 2025, a reversed impact from a foreign exchange gain of RM11.79 million posted in the prior year. This reversal resulted in a substantial swing of approximately RM20.26 million, which significantly affected the Group's overall profitability. The adverse movement was primarily driven by the weakening of Sterling Pound ("GBP") and Euro ("EUR") against local currency during the second quarter of FY 2025. The closing rate for GBP and EUR against the local currency weaken to 5.73 and 4.77 respectively when compared to the closing rate of 5.97 and 5.10 respectively one year ago.

## Management Discussion and Analysis (continued)

### Loss Before Tax

For FY 2025, the Group recorded a loss before tax of RM30.89 million, a reversal from the RM64.73 million profit reported in the preceding year. This downturn was primarily due to a combination of factors, including a significant impairment loss of RM55.76 million, lower overall revenue, and a higher share of loss from an associate amounted to RM15.79 million.

In accordance with the relevant accounting standards on the Impairment of Assets, the Group conducted an assessment and evaluation on its balance sheet items. As a result, a total impairment loss of RM55.76 million was recognised during the year. Of this amount, RM53.58 million was related to the impairment of the investment cost in an associate, while the remaining RM2.18 million was in respect of impairment of intangible assets.

Excluding the above impairment and sharing of loss from the associate, the Group's core business remains profitable and its operating performance demonstrated resilience despite softer market conditions.

### Capital Expenditure, Liquidity and Capital Structure

For the financial year ended 31 March 2025, the Group incurred a total capital expenditure of RM3.60 million, a decrease from RM6.78 million recorded in the previous year. The capital outlay was mainly directed towards essential acquisition and upgrades of production assets. All investments were funded through internally generated funds.

Despite the challenging market environment, the Group maintains a solid liquidity position. As at 31 March 2025, cash and bank balances stood at RM279.71 million, while other investments amounted to RM75.59 million, bringing total liquid assets to RM355.30 million. The Group continues to operate without any bank borrowings, underscoring its strong financial strength.

As at 31 March 2025, total assets stood at RM773.64 million, compared to RM852.99 million in the previous financial year. The above reduction was mainly due to impairment losses recognized in relation to the Group's investment in an associate and intangible asset. As a result, total equity declined to RM725.03 million, from RM792.69 million recorded previously. Correspondingly, net assets per share dropped from 406.63 sen to 382.47 sen in FY 2025.

### Dividends

In respect of FY 2025, the Board of Directors has proposed a final dividend of 2.0 sen per share, subject to shareholders' approval at the upcoming Annual General Meeting. No interim dividend was declared during the year. The lower payout this year reflects the Group's cautious approach in navigating a more challenging business environment while preserving its financial flexibility.



## **Management Discussion and Analysis (continued)**

### **Anticipated Risks**

#### **Advancement of Digitalization**

The continued advancement of digital technologies and growing reliance on electronic record-keeping solutions has reshaped how individuals and businesses manage information. Cloud-based platforms and digital document management systems are becoming increasingly prevalent, potentially reducing the demand for traditional filing products over time.

To mitigate this structural risk, the Group has intensified its diversification strategy by expanding its business to include the Industrial, Consumer and Food Ware segment. During the year, the Group continues to expand its product range and also strengthen its presence on major E-commerce platforms, enhancing its market reach and visibility. These initiatives are aligned with the Group's strategic direction to reduce reliance on traditional filing products and to build long-term resilience and sustainable growth in a changing market landscape.

#### **Escalating Operation Cost**

During the early part of FY 2025, the Group experienced elevated freight costs, primarily due to ongoing geopolitical tensions and disruptions along key maritime routes as a result of Red Sea crisis. These challenges resulted in shipping delays and higher transportation expenses, affecting both inbound procurement and outbound deliveries to customers.

As the financial year progressed, freight conditions began to improve with more stable freight rates noted in the final quarter, which provided some relief in terms of operational planning and cost control. Moving forward, the Group will continue to monitor global freight trends closely and adapting its logistics strategies accordingly in order to maintain its cost competitiveness.

#### **Supply Chain Disruption**

A robust and uninterrupted supply chain remains critical to the Group's manufacturing operations, particularly for key materials such as paper, plastics and metal. Any interruption whether due to material shortages, logistics delays or geopolitical tensions, can potentially affect production schedules and increase input costs.

To address such risks, the Group continues to uphold disciplined supply chain practices, including proactive procurement planning. A dual-sourcing strategy is maintained to reduce reliance on any single supplier and to ensure continuity of supply. These measures have been instrumental in preserving production stability and managing cost volatility.

#### **Foreign Exchange Risk**

As the Group's revenue generation and procurement activities involve multiple currencies, particularly currencies such as GBP, EUR and USD, fluctuations in foreign exchange rates against the Malaysian Ringgit may affect overall earning. The Group will monitor closely major currency movements and will consider appropriate hedging strategies, when necessary, to manage potential foreign exchange risks.

## **Management Discussion and Analysis (continued)**

### **Risk Associated with New Ventures**

In line with its strategy for long-term growth, the Group continues to explore new ventures both within and beyond its core business segments. While such initiatives may offer future opportunities, they also come with inherent uncertainties and operational risks. To address this, the Group adopts a disciplined approach by conducting thorough due diligence and careful evaluation before committing to any new investment. This helps to ensure that potential risks are identified and managed responsibly.

### **Credit Risk of Customers**

The Group extends credit terms to the majority of its customers, which exposes it to the risk of delayed payments or potential defaults. Such occurrences may adversely affect the Group's cash flow and financial performance. In managing the above risk, the Group continues to enforce robust credit control procedures, including assessments and ongoing monitoring of customers' financial position. Deliveries are executed only to customers who meet the Group's creditworthiness criteria, thereby mitigating the potential significant credit losses.

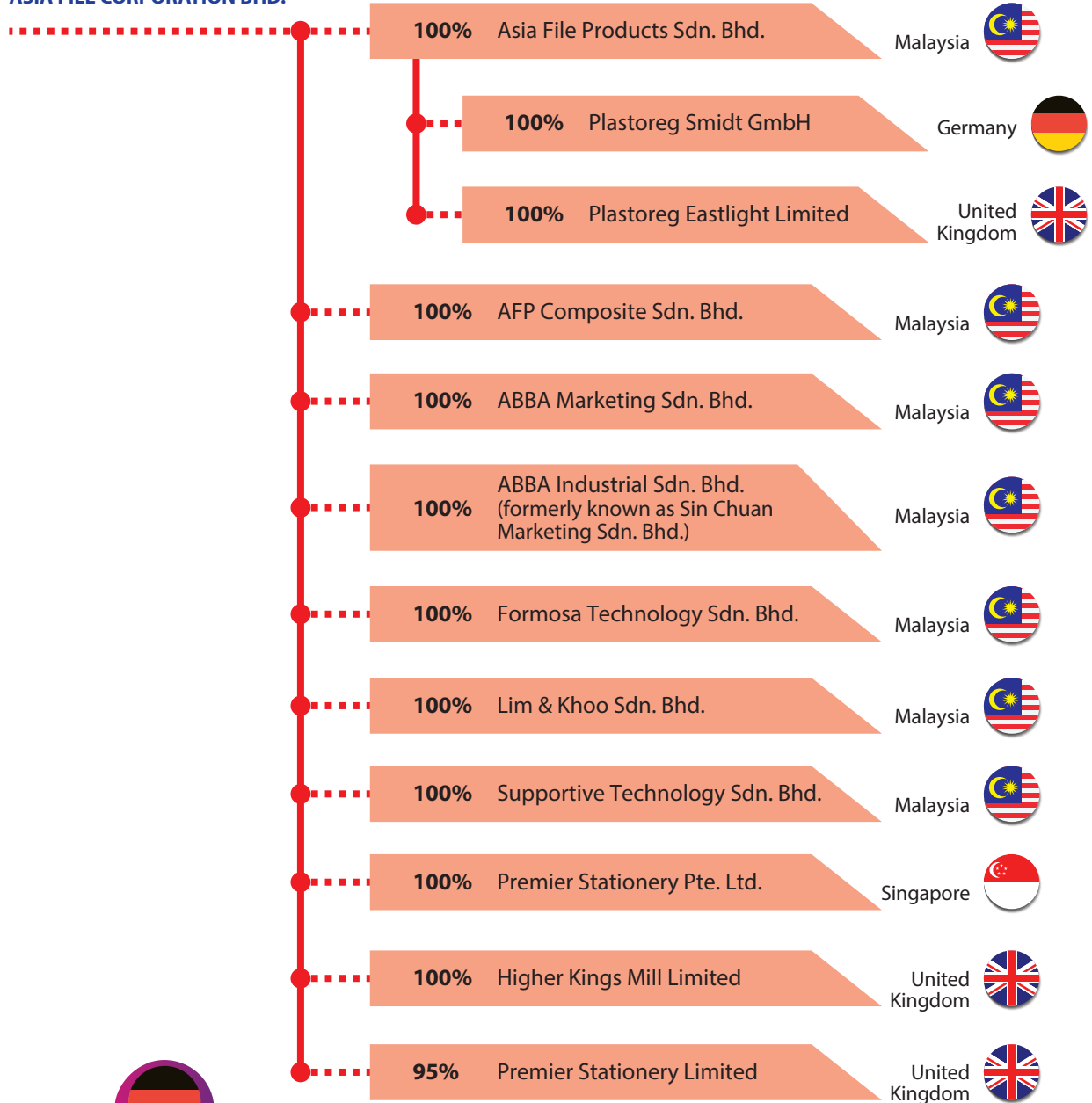
### **Business Outlook and Prospects**

The global economic environment remains uncertain, influenced by geopolitical tensions, inflationary pressures, evolving consumer preferences and growing demands for sustainability. At the same time, rapid technological advancements and digital transformation continue to reshape business operations and competitive dynamics. Against this backdrop, the Group remains committed to strengthening its core competencies while maintaining operational agility to ensure timely and effective responses to evolving market conditions.

The Group continues to pursue opportunities to expand its product portfolio through strategic and disciplined approaches. Efforts are focused on reinforcing its presence in the Industrial, Consumer and Food Ware segments, while also broadening market reach through digital platforms. In view of the sustained growth in E-commerce, the Group remains focus on enhancing its digital marketing initiative to further drive customer engagement, brand visibility, and loyalty across all major online channels.

Operational efficiency remains a key priority. The Group will continue to streamline internal processes, optimize resource allocation and strengthen cost management to preserve margins, while upholding high standard of product quality and service level.

Backed by solid financial position, the Group is well positioned to pursue opportunities that support sustainable growth. Despite ongoing external challenges, the Group remains confident in its ability to navigate the uncertainties ahead and sustain stable performance through focused execution and strategic adaptability. Its sound financial foundation continues to provide both resilience and flexibility in managing future developments.



# Corporate Structure



## Profile of Directors

### Dato' Lim Soon Huat

*Non-Independent Executive Chairman*



Male



68



Malaysian



**Dato' Lim Soon Huat** was appointed to the Board on 3 January 1996 and was subsequently appointed as Chairman of the Board on 16 July 2001.

He graduated from University of Melbourne with a Master Degree in Engineering. He has vast working experiences of more than 40 years in both public and private sectors. Prior to his involvement in business, he was involved in civil engineering projects undertaken by the Drainage and Irrigation Department. In 1986, he joined the filing and stationery industry and since then he has been playing a prominent role in all facets of the company management. He also holds directorship in various subsidiaries of Asia File Corporation Bhd.

As at 3 July 2025, he is the registered holder of 8,442,127 shares in Asia File Corporation Bhd and is deemed interested over 83,738,951 shares in Asia File Corporation Bhd registered under Prestige Elegance (M) Sdn Bhd. He holds 50.01% of the total shareholding in Prestige Elegance (M) Sdn Bhd.

During the financial year ended 31 March 2025, he attended four (4) Board of Directors' meetings.

**Chua Hooi Luan** was appointed to the Board on 30 June 2022 as an Independent Non-Executive Director. On 30 June 2025, she was elected as Chairperson of the Audit Committee and Nomination & Remuneration Committee.

Ms. Chua graduated with a Bachelor of Accounting (Honours) degree from University of Malaya in 1988. She is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and has more than 30 years of experience in the fields of corporate finance, international project financing and cross border merger & acquisition transactions. She started her career in 1988 in an international audit firm. She left the audit firm as an audit senior in 1992 to pursue her career in the field of corporate finance where she joined an investment bank. She later moved on to join a formerly listed company as its General Manager, Corporate Finance in 1997 and assumed her role as its Deputy Group Chief Financial Officer. Ms. Chua presently sits on the Board of THMY Holdings Berhad, a public company under the process of initial public offering (IPO).

During the financial year ended 31 March 2025, she attended four (4) Board of Directors' meetings.

### Chua Hooi Luan

*Independent Non-Executive Director*



Female



61



Malaysian



## Profile of Directors (continued)

**Lee Thean Yew** was appointed to the Board on 30 June 2023 as an Independent Non-Executive Director. He is a member of the Audit Committee and Nomination & Remuneration Committee.

Mr. Lee graduated from University of Malaya with a Bachelor Degree of Accounting (with Honours) in 1988. He is a member of Malaysian Institute of Accountants (MIA).

He has more than 30 years of working knowledge in accounting disciplines such as financial accounting, compliance reporting, budgeting, taxation and systems development. Mr. Lee is currently the Chief Financial Officer of ACME Holdings Berhad. He presently sits on the Board of ACME Holdings Berhad and several other private limited companies.

During the financial year ended 31 March 2025, he attended four (4) Board of Directors' meetings.

**Lee Thean Yew**  
*Independent Non-Executive Director*



**Lam Voon Kean**  
*Independent Non-Executive Director*



Female



73



Malaysian



**Lam Voon Kean** was appointed to the Board on 11 June 2012 as a Non-Independent Non-Executive Director. Thereafter, she was re-designated as Independent Non-Executive Director on 29 May 2014. She was the Chairperson of the Audit Committee and Nomination & Remuneration Committee until her retirement on 30 June 2025.

Madam Lam has over 35 years of experience in the fields of accounting, auditing, corporate secretarial and advisory. She began her career with KPMG in 1974 and subsequently promoted as senior audit manager. She left KPMG in 1994 to join M & C Services Sdn Bhd [now known as Boardroom Corporate Services (Penang) Sdn Bhd after restructuring] as the senior manager and was promoted to managing director until her retirement in 2011. Madam Lam presently sits on the Board of Alcom Group Bhd and Tambun Indah Land Bhd.

During the financial year ended 31 March 2025, she attended four (4) Board of Directors' meetings.

## Profile of Directors (continued)

### **Koay Siu Hoay** *Independent Non-Executive Director*



Female



AGE 41



Malaysian



**Koay Siu Hoay** was appointed to the Board on 30 June 2025 as an Independent Non-Executive Director. She is a member of the Audit Committee and Nomination & Remuneration Committee.

Ms. Koay is a member of Association of Chartered Certified Accountants (ACCA) and also Malaysian Institute of Accountants (MIA). She began her career in 2008 at KPMG, where she progressed from Audit Associate to Senior Manager. During her tenure with the firm, she gained extensive experiences auditing public listed companies, private entities and multinational corporations across a wide range of industries, including property development, construction, manufacturing, semiconductors and healthcare. She was also involved in cross-border corporate exercises, including Initial Public Offerings (IPOs).

In 2020, she transitioned into a commercial finance role as a Senior Manager, leading a team to ensure compliance on financial and management reporting across multiple countries.

Currently, she serves as a Director in a professional firm, providing audit and assurance services, including due diligence and regulatory compliance related services.

#### **Notes:**

- i) The late Datin Khoo Saw Sim, a substantial shareholder, is the mother of director, Dato' Lim Soon Huat. Other than as disclosed in the Profile of Directors, none of the directors has any family relationship with any other directors/major shareholders of the Company.
- ii) Other than as disclosed in the Directors' Report and Notes to the Financial Statements, there is no other conflict of interest that the directors have with the Company.
- iii) Except for Lee Thean Yew and Lam Voon Kean which were disclosed in the Profile of Directors, none of the other directors hold any directorship in any other public listed companies.
- iv) In the past five (5) years, none of the directors was convicted of any offence other than traffic offences.



## Profile of Key Senior Management

### Ms. Goh Phaik Ngoh

Chief Financial Officer



Female



57



Malaysian

Ms. Goh Phaik Ngoh graduated with a Bachelor of Commerce Degree from University of Otago, New Zealand in 1991 and passed the Final Qualifying Examination organised by The New Zealand Society of Accountants in 1992.

Prior to joining Asia File group of companies in 1994, she was attached to the international accountancy firms of Messrs Arthur Andersen & Co and Coopers & Lybrand (Singapore).

Ms. Goh Phaik Ngoh does not have any family relationship with any director and/or major shareholder. She has no conflict of interest in any business arrangement involving the Company.

### Ms. Lim Chin Chin

Business Operation Manager



Female



44



Malaysian

Ms. Lim Chin Chin graduated with a Bachelor of Mechanical and Manufacturing Engineering Degree from The University of Melbourne, Australia.

She joined the Group in 2005 and oversees the business operation of Industrial, Consumer and Food ware division. She also plays an active role in the various new projects undertaken by the group of Companies.

She currently holds directorship in various subsidiaries of Asia File group of companies.

Ms. Lim Chin Chin is the daughter of Dato' Lim Soon Huat, the granddaughter of the late Datin Khoo Saw Sim and the sister of Ms. Lim Mei Chin. She has no conflict of interest in any business arrangement involving the Company except as disclosed in the Notes to the Financial Statements.

### Ms. Lim Mei Chin

Business Development Manager



Female



40



Malaysian

Ms. Lim Mei Chin graduated with a Bachelor of Mechanical Engineering Degree from The University of Melbourne, Australia.

She joined the Group in 2008 and is in charge of production operation, paper mill division and is also actively involved in the various new projects undertaken by the Group of Companies.

She currently holds directorship in various subsidiaries of Asia File group of companies.

Ms. Lim Mei Chin is the daughter of Dato' Lim Soon Huat, the granddaughter of the late Datin Khoo Saw Sim and the sister of Ms. Lim Chin Chin. She has no conflict of interest in any business arrangement involving the Company.

## Profile of Key Senior Management (continued)

### Mr. Chiang Kok Nearn

*Plant Manager at Permatang Tinggi, Penang*



Male



50



Malaysian

Mr. Chiang Kok Nearn graduated with a Master Degree of Business Administration from University of South Australia.

He started his career as Production Manager in a manufacturing company before joining the Group as Plant Manager in July 2011. He is involved in overseeing the manufacturing operation in the plant located in Permatang Tinggi, Penang.

Mr. Chiang Kok Nearn does not have any family relationship with any director and/or major shareholder. He has no conflict of interest in any business arrangement involving the Company.

### Ms. Lim Swee Kheng

*Senior Finance Manager*



Female



44



Malaysian

Ms. Lim Swee Kheng holds a Bachelor of Accountancy (Honours) degree from University Utara Malaysia and is a member of the Malaysian Institute of Accountants (MIA).

She has over 20 years of experience in auditing and financial management across both multinational and public listed companies. She began her career with Deloitte in Penang and Singapore, before moving into commercial finance in 2011. Prior to joining Asia File Group in August 2024, she served as Senior Finance Manager in a subsidiary of a listed company. She currently oversees the Group's financial reporting, regulatory compliance and financial management functions.

Ms. Lim Swee Kheng does not have any family relationship with any director and/or major shareholder. She has no conflict of interest in any business arrangement involving the Company.

### Additional information:

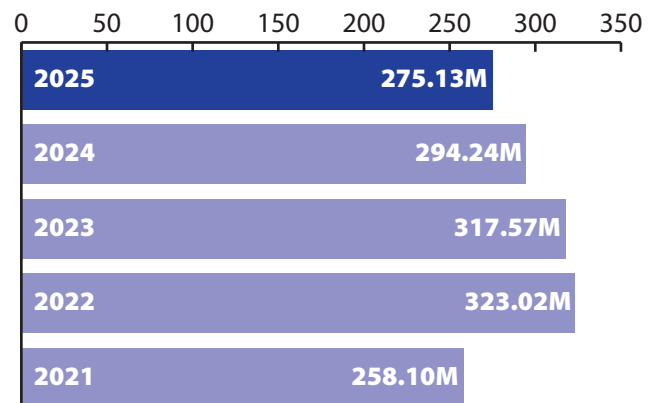
None of the Key Senior Management has:

- (i) been convicted of any offence (other than traffic offences) within the past five (5) years; and
- (ii) been imposed with any public sanction or penalty by the relevant bodies during the financial year ended 31 March 2025.

## Group Financial Highlights

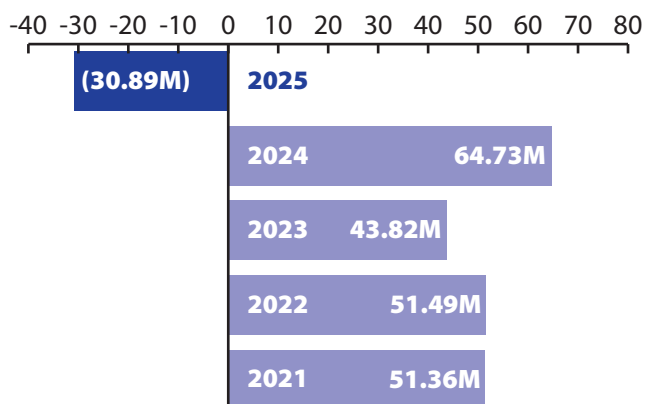
### TURNOVER

**RM275.13M**



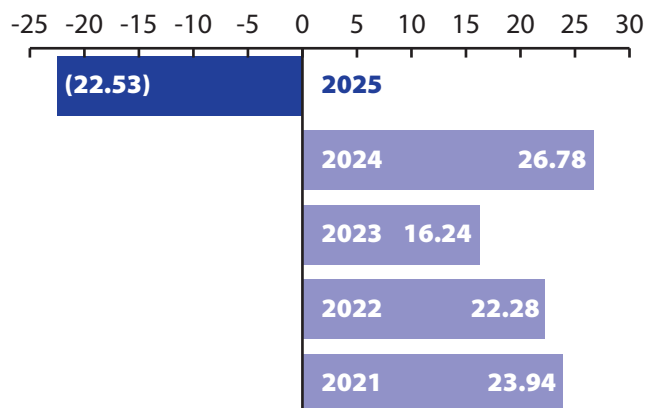
### LOSS BEFORE TAX

**(RM30.89M)**



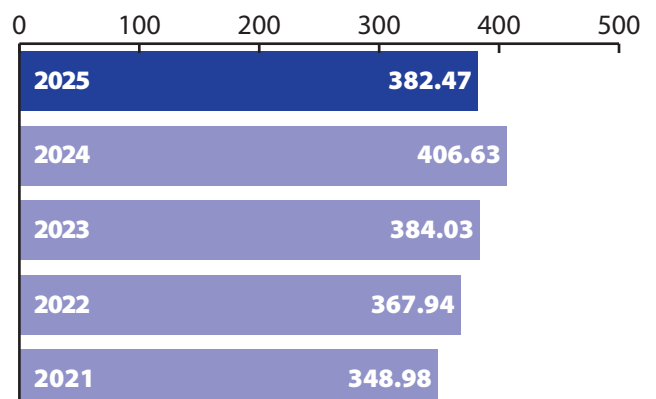
### BASIC LOSS PER SHARE

**(22.53SEN)**



### NET ASSETS PER SHARE

**382.47SEN**





# Corporate Governance Overview Statement

## Introduction

The Board of Directors of Asia File Corporation Bhd ("the Board") is dedicated to upholding a robust standard of corporate governance across the Group, adhering to the Malaysian Code on Corporate Governance ("MCCG") 2021 which forms part of the continuing obligations of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Group strongly believes that a sound corporate governance framework fosters a conducive and ethical environment that is vital for sustaining and driving the Group's long-term business growth.

In compliance with the MMLR, the Group has prepared the Corporate Governance Report ("CG Report") for the financial year 2025. The report is available on the Company's website at <https://www.asia-file.com/ir.html> and on Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com).

This Statement offers shareholders an overview of the Group's application of Corporate Governance ("CG") practices.

## Principle A: Board Leadership and Effectiveness

### Board Responsibilities

The Board is responsible for setting the Group's strategic direction, overseeing resource allocation and, in collaboration with management, monitoring the overall performance and operations of the Group. The roles and responsibilities guiding the Board in achieving its corporate objectives are clearly defined in the Board Charter.

To effectively fulfil its fiduciary obligations and improve business efficiency, the Board delegates specific responsibilities to its Committees, namely the Audit Committee ("AC") and the Nomination & Remuneration Committee ("NRC"), both comprised solely of Independent Non-Executive Directors to ensure objectivity and independence in their oversight roles.

The Board also plays a pivotal role in embedding sustainability considerations into the Group's corporate strategy, governance framework, and decision-making processes. The Board Charter and the Terms of Reference of the Board Committees are accessible on the Company's website at <https://www.asia-file.com/ir.html> and are reviewed periodically and updated as necessary to maintain their relevance and effectiveness.

Additionally, the Board is supported by qualified Company Secretaries who are members of The Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"). They ensure that Board meetings are properly convened and conducted in accordance with regulatory requirements.

Details of Directors' attendance at meetings during the financial year, along with the meeting schedule, are provided below:-

Name of Directors	Position	Board	AC	NRC
Dato' Lim Soon Huat	Non-Independent Executive Chairman	4/4	-	-
Mdm. Lam Voon Kean	Independent Non-Executive Director	4/4	4/4	1/1
Ms. Chua Hooi Luan	Independent Non-Executive Director	4/4	4/4	1/1
Mr. Lee Thean Yew	Independent Non-Executive Director	4/4	4/4	1/1

Types of Meeting	31 May 2024	29 Aug 2024	28 Nov 2024	27 Feb 2025
Board	✓	✓	✓	✓
AC	✓	✓	✓	✓
NRC	✓	-	-	-

## Corporate Governance Overview Statement (continued)

To ensure that its business operations are conducted ethically, morally, and in compliance with the law, the Group has established a set of Code of Ethics and Conduct which governs the standard of ethics and conducts expected from the Directors and employees of the Group. Additionally, the Group's Employee Handbook reinforces these expectations by detailing the moral responsibilities that employees must uphold in performing their duties.

The Group acknowledges that any genuine commitment to detecting and preventing actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct must include a mechanism whereby employees and stakeholders of the Group can report their concerns freely without fear of reprisal or intimidation. Hence, the Group has put in place a Whistleblowing Policy that provides internal channels and procedures for employees and stakeholders of the Group to report any irregularities and the protection accorded to whistle blowers who disclose such allegations in good faith.

Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act") which came into effect on 1 June 2020, introduces corporate liability provision for bribery and corruption. The Group has adopted Anti-Bribery and Anti-Corruption Policy which must be observed by all of the Directors and employees at all time. The Group takes a serious view of corrupt practices within the organization and is committed to acting professionally, fairly and with integrity in all its business dealings and relationship.

Throughout the year, the Group conducted refresher training sessions on the Code of Ethics and Conduct, Anti-Bribery and Anti-Corruption Policy and Whistleblowing Policy for employees who interact regularly with external parties to ensure ongoing compliance with the Group's standard of integrity in conducting its business dealings. New employees who joined during the financial year 2025 also received induction training on these policies.

To reinforce its Anti-Bribery and Anti-Corruption efforts, the Group requires its business partners to adhere to ethical business practices fairly and honestly by requiring them to carry out their business in the manner set out in the policy.

Board members have direct access to senior management and are granted unrestricted access to the advices and services of external professional advisors, at the Group's expense, to support them in fulfilling their duties and responsibilities.

All Board meetings are formally documented and meeting papers are circulated to members in advance. Corporate announcements, including quarterly financial results, are reviewed and approved by the Board prior to submission to Bursa Securities.

### ***Chairman of the Board***

The Executive Chairman, Dato' Lim Soon Huat, assumes the responsibility in leading and ensuring the effectiveness of the Board. While the Board acknowledges the dual role of Chairman and Chief Executive held by Dato' Lim Soon Huat, it believes that the current composition of the Board and its decision-making processes establish adequate checks and balances.

The current Board composition includes Independent Directors, who constitute 75% of the Board. These directors possess distinguished credentials, with majority of them serving as directors in other public listed companies. The Board relies on their extensive experience and knowledge to uphold independence of judgement.

During meeting, proposals are deliberated and collectively decided upon based on the majority view of the Board, ensuring that no single Board member dominates the decision-making process. In view of the extensive experience of Dato' Lim Soon Huat in managing the Group's business, the Board is of the view that it could benefit from a knowledgeable Chairman in providing timely updates and guidance during deliberations on key issues and discussions on recent developments.

## Corporate Governance Overview Statement (continued)

### Board Composition

The Board presently consists of one (1) Executive Director and three (3) Independent Non-Executive Directors. The Executive Director has been actively involved in the industry for many years, bringing with him a wealth of valuable experiences in ensuring the success of the Group. The Non-Executive Directors, with their strong accounting backgrounds and diversified working experiences help to steer the Group in the right direction in fulfilling its role to the Group's stakeholders. Detailed profiles of each director can be found in the Profile of Directors section of this Annual Report.

The Board acknowledges the recommendation of the Code that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years and the Enhanced Director Amendment to the MMLR issued by Bursa Securities on 19 January 2022 ("the Enhanced Director Amendments") which imposes a mandatory twelve (12) years' tenure limit for independent directors whereby an affected long serving independent director shall be re-designated as non-independent director or replaced by the Board.

On 30 June 2025, Madam Lam Voon Kean retired from the Board, as well as from her roles on the AC and the NRC. In accordance with paragraph 15.02 of the MMLR, the Board appointed Ms. Koay Siu Hoay as a new Independent Non-Executive Director on the same day to fill the vacancies resulting from these retirements. Following Madam Lam Voon Kean's retirement, Ms. Chua Hooi Luan was re-designated and appointed as the Chairman of both the AC and NRC, effective 30 June 2025.

The NRC leverages on the extensive professional and business networks of both Directors and senior management to identify suitable candidates for Board appointments. Shortlisted candidates undergo assessment by NRC, which includes assessment on skills, competency, time commitment, independence, professional knowledge, experience, character and other attributes aligned with the Group's strategic needs.

On 29 May 2025, Ms. Koay Siu Hoay was proposed to the NRC as a potential candidate for directorship. The NRC convened to deliberate on her candidacy and unanimously agreed to recommend her appointment to the Board based on her demonstrated skills, competency, time commitment, professional knowledge, experience and character. The Board believes that the inclusion of Ms. Koay Siu Hoay as a newly appointed Director will bring diverse perspectives and valuable insights, enhancing effective decision-making processes within the Board.

The Board believes that while promoting diversity is crucial, the primary selection criteria for Directors should prioritize an effective blend of competencies, skills, experience and knowledge. This approach ensures that capabilities, experience and qualification are not compromised.

Before making the appointment, the Group conducted the required assessment in accordance with the Group's Directors' Fit & Proper Policy.

The Board composition for financial year 2025 demonstrates balanced diversity, achieving 50% female representation at the Board level. A summary of the Board composition is set out below:-

Composition	
Non-Independent	25%
Independent	75%
Gender Diversity	
Male	50%
Female	50%
Age Group Diversity	
Above 65 years old	50%
50 – 65 years old	50%
Length of Service	
Above 12 years	25%
6 – 12 years	25%
5 years and below	50%

## Corporate Governance Overview Statement (continued)

### ***Nomination & Remuneration Committee (“NRC”)***

The NRC consists of three (3) members, all of whom are Independent Non-Executive Directors. Madam Lam Voon Kean was the Chairman of the Committee. The NRC is entrusted to review and assess the adequacy and appropriateness of the Board composition. Members of the NRC are well equipped with many years of corporate experiences and are knowledgeable in the field of executive compensation.

The Terms of Reference for the NRC can be accessed on the Company’s website at <https://www.asia-file.com/ir.html>.

The NRC meets as and when required and at least once every financial year. During the financial year under review, the NRC held a meeting on 31 May 2024, which was attended by all Committee members.

During the financial year 2025, the NRC engaged in the following activities:-

1. Reviewed the overall structure, size and composition of the Board with an aim to achieve a balance of views from the Board;
2. Reviewed the required mix of skills and experiences and other qualities including core competencies and time commitment to the Board;
3. Conducted annual performance evaluation and assessment on the effectiveness of the Board and each Board Committee in discharging its duties and responsibilities;
4. Reviewed and assessed the independence of the Independent Directors in delivering their independent judgment and decisions;
5. Reviewed and endorsed the Board’s approval on the salary increment framework and annual bonus for the directors and senior management of the Group and ensured alignment of compensation to company performance and compensation offered is in line with market practice;
6. Reviewed the term of office and performance of AC; and
7. Made recommendation to the Board for the re-appointment, re-election and retention of Directors who are subject to retirement at the forthcoming Annual General Meeting (“AGM”).

### ***Board Assessment***

The NRC conducted an annual assessment of the effectiveness and independence of the Board using questionnaires, led by the Chairman of the NRC, with support from the company secretary.

The Board Evaluation Form was conducted on the Board Committee and individual Director on a continuing basis as all the Directors are expected to conduct themselves with the highest integrity and professionalism as well as to comply with all relevant legal and regulatory obligations.

The Directors’ Fit & Proper Policy has been adopted on 27 June 2022 and available on the Company’s website at <https://www.asia-file.com/ir.html> to guide the NRC for the assessment and evaluation of the potential Directors on their new appointments and those who are seeking for election or re-election.

All assessment outcomes and comments from evaluations were documented and deliberated during NRC meeting, which were then presented at the Board Meeting held thereafter. These results remain confidential as part of the Company’s internal documents and are not disclosed to external parties.

## Corporate Governance Overview Statement (continued)

### Directors' Training

Directors are encouraged to participate in seminars, talks, trade fairs, workshops and conferences to continually improve their skills and knowledge and to ensure that they are kept abreast with new developments in the business environment, corporate governance and enhance their skills and knowledge.

To date, all Directors have completed the Mandatory Accreditation Programme ("MAP") Part II as required by Bursa Securities. One Director attended the programme in 2024, while three others completed it in 2025. As for Ms. Koay Siu Hoay, she is scheduled to complete MAP Part I within four (4) months and MAP Part II within eighteen (18) months from her appointment date on 30 June 2025, in accordance with the regulatory timeline.

During the financial year under review, the details of the programs and seminars attended by the Directors to enhance their knowledge and expertise are as follows:-

Directors	Details	Date
Dato' Lim Soon Huat	• Canton Fair 2024	23 to 28 Apr 2024
	• Visited suppliers in Taiwan and China	14 to 19 May 2024; 17 to 21 Jun 2024; 16 to 17 Jul 2024; 07 to 13 Sep 2024; 23 to 24 Sep 2024
	• The Ambiente Fair 2025	05 to 15 Feb 2025
Mdm. Lam Voon Kean	• Unclaimed Moneys Act 1965	19 Sep 2024
	• Enhance Compliance Through Malaysia's Tax Corporate Governance Program	04 Oct 2024
	• Audit Oversight Board Conversation with Audit Committees 2024 Session	19 Nov 2024
	• Compliance with Listing Requirements – Reporting of Financial Statements	25 Nov 2024
	• MFRS Updates 2024	03 Dec 2024
	• MAP Part II: Leading for Impact (LIP)	13 to 14 Jan 2025
Ms. Chua Hooi Luan	• Green, Social and Sustainability Sukuk Guidance	13 May 2024
	• Malaysian Bond & Sukuk Conference 2024 – Charting the Course for Malaysia's Economy	21 to 22 Aug 2024
	• MICPA & CA ANZ Conference 2024 – Creating Value in Sustainability	01 Oct 2024
	• Audit Oversight Board Conversation with Audit Committees 2024 Session	19 Nov 2024
Mr. Lee Thean Yew	• MAP Part II: Leading for Impact (LIP)	24 to 25 Feb 2025
	• Auditing of Construction Contracts & Property Development Activities	06 to 07 Mar 2025

In addition to the abovementioned activities, the Directors have also been briefed by the management, Company Secretary and external auditors in relation to significant developments in relevant laws, regulations and governance practices during Committee and Board meetings.



## Corporate Governance Overview Statement (continued)

### **Directors' Remuneration**

NRC is tasked with evaluating and recommending to the Board a transparent and equitable remuneration policy and framework for the directors and senior management of the Group.

The NRC is guided by the following principles:

- a) Remuneration should reflect performance, complexity and responsibility with a view to attracting, motivating and retaining high performance individuals and promoting the enhancement of the Group's value to its shareholders;
- b) Remuneration practices are benchmarked against external market data to ensure staff are fairly remunerated;
- c) The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

Details of the Directors' and senior management's remuneration in relation to Practice 7.1 and 7.2 of the MCCG 2021 are provided separately in the Corporate Governance Report.

### **Principle B: Effective Audit and Risk Management**

#### **Audit Committee ("AC")**

The AC is responsible for ensuring that the financial statements of the Group have been made out in accordance with the provisions of the Companies Act 2016 and applicable accounting standards and that these provide a balanced and fair view of the financial state and performance of the Group.

The AC of the Group comprises three (3) Independent Non-Executive Directors, all of whom are from strong accounting background. This will enable them to have a good understanding on matters discussed during the AC meetings in particular on accounts related and financial reporting issues.

During the financial year under review, the AC conducted two (2) private sessions with the external auditors without the presence of the Executive Director and management. These meetings facilitated direct communication with the auditors, allowing the Committee to assess the suitability, objectivity and independence of the external auditors. In addition, the AC also evaluated the effectiveness of the internal auditors and reviewed the adequacy and efficiency of the Group's internal controls.

For a detailed composition and activities summary, please refer to the Audit Committee Report in this Annual Report.

#### **Risk Management and Internal Control Framework**

The Board holds ultimate responsibility for overseeing the Group's risk management and internal control system. The AC assists the Board by evaluating the adequacy and effectiveness of the risk management and internal control framework adopted by the Group. This evaluation covers financial, operational and compliance controls, as well as the processes for identifying, evaluating and managing the key risks faced by the Group.

Detailed information regarding the Group's Risk Management and Internal Control framework, activities carried out during the financial year under review and reporting procedures can be found in the Statement on Risk Management and Internal Control included in this Annual Report.

## Corporate Governance Overview Statement (continued)

### Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

#### ***Communication with Stakeholders***

The Group places significant emphasis on communicating its business strategies, progress of strategic initiatives and performance to stakeholders on a regular basis. Various communication channels are utilized to foster constructive relationship between the Group and its stakeholders. All interactions with analysts, investors and media briefings are coordinated through the Executive Chairman and the Chief Financial Officer who engage in regular dialogues with institutional investors and delivering presentations to analysts sporadically.

In adherence to the MMLR and the Corporate Disclosure Guide from Bursa Securities, the Group issues timely and accurate quarterly statements via Bursa Securities and the Company's website. The Annual Report is continuously updated to incorporate the latest development in the area of corporate governance and regulatory requirements. Copies of the Annual Report are distributed to all shareholders in either printed or electronic formats.

The Group maintains an informative corporate website at <https://www.asia-file.com/ir.html>, which provides information relating to, among others, annual reports, quarterly financial reports, corporate information and announcements. This platform enables the investing public and other stakeholders to stay informed about the Group's business progress and developments.

#### ***Conduct of General Meetings***

The Board considers the Annual General Meeting ("AGM") as the principal platform for engaging with shareholders. AGM held each year provides an excellent platform for shareholders to participate in the question and answer session. Beyond the proposed resolutions, the AGM also serves as an avenue to share updates on the Group's performance as well as future business plans and strategies with shareholders.

The Group distributed the Notice of 30<sup>th</sup> AGM to shareholders at least 28 days ahead as per the requirement of Companies Act 2016 and MMLR in order to provide sufficient time for shareholders to review the Notice of AGM and appoint proxies to attend the AGM if necessary. The Notice of AGM was also advertised in The Star newspaper for broader shareholder awareness.

The 30<sup>th</sup> AGM of the Company was convened on 27 September 2024 at Olive Tree Hotel, Bayan Lepas, Penang. The meeting was attended by the Executive Chairman, Chief Financial Officer, other Directors, Company Secretary and the Group's external auditors, who were present to address any queries brought up by the shareholders during the AGM.

Poll voting was conducted in a paperless manner using a wireless handheld device for all resolutions set out in the Notice of AGM. The Directors addressed questions raised by the shareholders on the proposed resolutions before putting the resolution to a vote. Securities Services (Holdings) Sdn. Bhd. was appointed as the Poll Administrator to oversee the electronic poll, while Commercial Quest Sdn. Bhd. served as the Independent Scrutineer to verify the poll results at the AGM. All resolutions proposed were duly passed and the outcome of the AGM was announced to Bursa Securities on the same meeting day.

The minutes of the 30<sup>th</sup> AGM, along with the Company's responses to all questions received before and during the AGM were made available to shareholders on the Company's website within thirty (30) business days following the AGM.

This Statement is made in accordance with a resolution of the Board dated 29 July 2025.

## Audit Committee Report

The Board is pleased to present the Audit Committee ("AC") Report, outlining its activities for the financial year ended 31 March 2025.

### Audit Committee Composition and Attendance

The AC consists of three (3) members, all of whom are Independent Non-Executive Directors. The Chairperson, Madam Lam Voon Kean, is a member of both the Malaysian Institute of Accountants ("MIA") and the Malaysian Institute of Certified Public Accountants ("MICPA"). With strong accounting background, all members of the AC possess the expertise required to review and interpret financial statements, enabling them to effectively fulfil their responsibilities. The composition of the AC is in compliance with paragraph 15.09(1) of the Main Market Listing Requirement ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

As part of its annual governance process, the Board, through the Nomination and Remuneration Committee ("NRC"), conducted a review of the AC's term of office and the performance of its members, as required under Paragraph 15.20 of the MMLR. Upon the review, the Board was satisfied that the AC and its members have efficiently discharged their roles, responsibilities, and functions in line with the Audit Committee's Terms of Reference ("TOR").

The AC convenes at least four (4) times annually. In addition, at least twice (2) a year, the AC meets with the external auditors without the presence of Executive Directors and management, to ensure independent and objective discussions.

All meetings were attended by the Company Secretary, and minutes were circulated electronically and confirmed by all members.

Composition and attendance at the AC meetings during the financial year are as follows:-

Composition	Dates of Meeting				No. of Meetings Attended
	31 May 2024	29 Aug 2024	28 Nov 2024	27 Feb 2025	
<b>Mdm. Lam Voon Kean</b> (Chairman, Independent Non-Executive Director)	✓	✓	✓	✓	4/4
<b>Ms. Chua Hooi Luan</b> (Independent Non-Executive Director)	✓	✓	✓	✓	4/4
<b>Mr. Lee Thean Yew</b> (Independent Non-Executive Director)	✓	✓	✓	✓	4/4

By invitation of the AC, the Chief Financial Officer ("CFO"), Head of the Internal Audit Department ("IAD"), and the External Auditors attended the AC meetings to present reports on financial performance, audit findings, and other relevant matters for the Committee's review and/or approval.

The TOR of the AC is accessible on the Company's website at <https://www.asia-file.com/ir.html>.

## **Audit Committee Report (continued)**

### **Summary of Activities during the Year**

The AC carried out its duties and responsibilities in accordance with its TOR. The key activities carried out by the Committee during the year were as follows:-

#### **1. Financial Reporting and Compliance**

- a) Reviewed the unaudited quarterly financial results and annual audited consolidated financial statements of the Group and recommended them to the Board for approval. The reviews were carried out together with the CFO who will provide any explanation or clarification required by the members of the AC.
- b) The focus of review was on:-
  - Changes in or implementation of major accounting policies;
  - Significant matters highlighted by management or the external auditors, including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters were addressed;
  - Assessment of the Group's ability to continue as a going concern; and
  - Compliance with accounting standards and other legal or statutory requirements.

#### **2. External Audit**

- a) Reviewed with the external auditors:-
  - Their audit plan which included the audit strategy and scope of work for the year; and
  - The results of their annual audit, audit report and management letter together with the management's response to their findings.
- b) Held two (2) meetings with the external auditors without the presence of the Executive Directors or management to reinforce the independence of the external auditors of the Company.
- c) Evaluated the performance, effectiveness and independence of the external auditors and made recommendations to the Board on their appointment and remuneration.

On 27 February 2025, prior to the commencement of the audit, the external auditors BDO PLT, presented a summary of their audit plan and strategy which outlined the engagement team, materiality, audit scope, methodology, potential key audit matters and focus areas to the AC. An audit status presentation by the external auditors to the AC was carried out on 29 May 2025. The presentation provided a summary of the external auditors' key findings arising from the audit of the consolidated financial statements for the year ended 31 March 2025. No major issues which warrant any specific attention was highlighted during the meetings with the external auditors.

#### **3. Internal Audit**

- a) Reviewed and approved the Internal Audit Plan to ensure adequate scope and comprehensive coverage over the activities of the Group and ensured that all high risk areas are audited annually.

During the year, the Internal Audit Plan for the period from 1 April 2025 to 31 March 2026 was presented by the IAD and was subsequently approved by the AC on 27 February 2025.

- b) Reviewed the internal audit reports which were tabled during the year, the audit recommendations made and management's response to these recommendations. Where appropriate, the Committee has directed management to rectify and improve control procedures and workflow processes based on the internal auditors' recommendations and suggestions for improvement.

## Audit Committee Report (continued)

- c) Monitored the corrective actions taken on the outstanding audit issues to ensure that all the key risks and control weaknesses have been addressed.
- d) Held separate meetings with the internal auditor, without the presence of the Executive Directors or management, to discuss any problems and reservations.
- e) Evaluated the performance and functions of the internal auditors with focus on its scope of work, functions, competency and that it has the necessary resources to carry out its work during the financial year under review.

### 4. Other Activities

- a) Reviewed the recurrent related party transactions of revenue or trading nature and other related party transactions to ensure that they were properly accounted for and disclosed in the Annual Report.
- b) Reviewed and discussed the Conflict of Interest ("COI") and potential COI of Directors and key senior management in accordance with the amendments to the MMLR of Bursa Securities.
- c) Reviewed the AC Report, Statement on Risk Management and Internal Control, Corporate Governance Overview Statement, Corporate Governance Report and Sustainability Statement prior to recommending to the Board for approval.

### Training

During the financial year 2025, all members of the AC have attended various seminars, training programs and conferences. The details of trainings attended are disclosed in the Corporate Governance Overview Statement of this Annual Report.

### Internal Audit Function

The AC is aware of the importance of an independent and adequately resourced internal audit function in discharging its duties and responsibilities. The Group's IAD assists the AC in reviewing the effectiveness of the Group's internal control systems whilst ensuring that there is an appropriate balance of controls and risks in achieving its business objectives. Additionally, the IAD conducts investigative audits when instances of misconduct, dishonesty, or illegal activities are reported.

The IAD reviews the effectiveness of the internal control structures over the Group's activities focusing on high risk areas using a risk-based approach. All high risk activities in each auditable area are reviewed annually.

The scope of internal audit covers the audits of all key operating units and follow-up audits on all key departments and operations, including subsidiaries within the Group in accordance with the approved Internal Audit Plan. The findings and recommendations were communicated to the management for their response and corrective action. The internal audit reports are presented and reported by the Head of the IAD to the AC on a quarterly basis.

During the financial year 2025, total costs incurred for the Internal Audit function comprising staff payroll and benefits, training, travelling and incidental costs amounted to approximately RM 276,000 (2024: RM 289,000).

This Report is made in accordance with a resolution of the Board dated 29 July 2025.

# Statement on Risk Management and Internal Control

## Introduction

The Board is pleased to present this Statement on Risk Management and Internal Control, which outlines the nature and scope of the Group's risk management and internal control systems for the financial year under review. The associated company of the Group has not been dealt with as part of the Group for the purpose of applying this guidance.

## Board's Responsibility

The Board acknowledges its overall responsibility for ensuring the integrity, adequacy, and effectiveness of the Group's risk management and internal control system. This responsibility encompasses the establishment of a sound control environment and framework, as well as the ongoing review of its effectiveness and adequacy.

The Board recognises that a well-designed internal control system will assist the attainment of the Group's strategic and operational objectives. Nevertheless, it is also mindful that, due to inherent limitations in any internal control system, such systems are designed to manage rather than eliminate risks. As such, they can provide only reasonable, but not absolute assurance against material misstatement, loss or fraud.

## Risk Management and Internal Control

The Board recognises that risk is inherent in its business activities. The Board has established an ongoing process to identify, evaluate, and manage significant risks that the Group faces, which is integrated into the Group's overall risk management and internal control system. This process has been consistently applied throughout the financial year and up to the approval date of this Statement.

In line with Part II of Principle B of the Malaysian Code on Corporate Governance 2021, an Enterprise Risk Management ("ERM") Framework has been developed to ensure proper management of risks so as not to impede the achievement of the Group's strategic and operational objectives. The ERM Framework sets out the key principles, risk assessment approaches and processes, as well as clearly defined roles and responsibilities at various levels of management across the Group.

The Group does not adhere to a single risk management standard or guideline, as it believes that it will be more beneficial to tailor the approach based on its specific circumstances and evolving risk landscape, ensuring flexibility and relevance in managing risks effectively.

The responsibility to manage the risks resides at all levels within the Group. The daily operational risks such as receivables monitoring, health and safety, regulatory compliance, product quality and others are primarily managed at the key operating unit level, guided by established standard operating procedures. Key business and critical risks which have significant impact on the operations of the Group such as business sustainability, project expansions, and product diversification are overseen by the top management of the respective key operating units.

The Group has adopted the Guidelines on Adequate Procedures pursuant to Subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission (Amendment) Act 2018 to prevent, detect and respond to bribery and corruption risks. In line with this, the Group has put in place an Anti-Bribery and Anti-Corruption System ("ABAC"), which includes the Code of Business Conduct for Third Parties, the Code of Ethics and Conduct for Employees and Directors and the Whistleblowing Policy. These policies are accessible on the Company's website at <https://www.asia-file.com/ir.html>. The ABAC framework has been disseminated to all subsidiaries for adoption, subject to customisation for local laws and the respective business environments.



## Statement on Risk Management and Internal Control (continued)

The Group's current risk governance structure comprises the followings:-

**(i) The Board**

- Assume the overall responsibility for the Group's risk management and internal control system;
- Review and approve the various internal control procedures and improvement plans recommended by the Senior Management and Heads of Operating Units ("HOU");
- Ensure the adequacy and effectiveness of the Group's internal control systems in order to accommodate the changes in business environment or regulatory requirements.

**(ii) Audit Committee**

- Assist the Board in evaluating the adequacy of risk management and internal control framework;
- Review and approve Internal Audit Plan submitted by the Internal Audit Department ("IAD");
- Quarterly review and approve the internal audit report presented by the IAD.

**(iii) Senior Management and Heads of Operating Units**

- Establish, formulate and recommend sound internal control procedures to be adopted by individual operating unit;
- Oversees the effective implementation of risk policies and guidelines, and cultivation of risk management culture within the Group;
- Review and monitor periodically the status of the Group's principal risks and the required mitigation actions.

**(iv) Internal Audit Function**

- Assist the Board to monitor the adequacy and effectiveness of the risk management processes and internal control systems that are in place within the Group;
- Play an active role in evaluating whether the existing controls and procedures have been properly implemented and adhered to within the Group;
- Ensure the implementation of corrective and preventive action plans ("CPAP") and meeting the agreed deadlines.

### Internal Audit Function

The Group maintains an in-house IAD which is under the purview of the Audit Committee and operates independent of the activities they audit. The IAD is staffed by three (3) full-time employees and is led by Ms. Lim Hooi Cheng, who possesses extensive knowledge of the Group's operation. She holds a Master in Business Administration ("MBA") from University Utara Malaysia and is a member of the Malaysian Institute of Accountants ("MIA").

A risk-based Internal Audit Plan which entails the scope of audit, audit timeline and the risk profile of each audit unit for audit work carried out from 1 April 2024 to 31 March 2025 has been approved by the Audit Committee on 27 February 2024.

Internal audits are conducted across all departments and operating units, with the frequency determined based on assessed risk levels. During the financial year under review, the IAD conducted audits covering the following areas:-

- |                                    |   |
|------------------------------------|---|
| 1. Human resource management       | 6. Review on e-commerce sales controls              |
| 2. Inventory management            | 7. Review on facility maintenance controls          |
| 3. Legal and regulatory compliance | 8. Review on information security management system |
| 4. Procurement management review   | 9. Review on key subsidiaries' operating controls   |
| 5. Quality assurance review        | 10. Security review                                 |

## Statement on Risk Management and Internal Control (continued)

The audits are carried out based on the detailed audit procedures as stated on the audit program tailored for each area under review. The Internal Audit Plan is developed using a risk-based approach. Risk Registers for the various processes undertaken by the individual department are set up to identify major risks for such processes. The registers of key operating units will document the potential impact of those risks, the existing control mechanism available to mitigate the risk and also the recommended control measures to be adopted. The risk landscapes as well as the mitigation plans are assessed and categorized based on the level of impact and likelihood as set out in the ERM Framework adopted by the Group. The internal audit program is regularly updated to reflect changes in the risk landscape and to ensure alignment with the evolving risk profile of the Group.

Upon completion of each audit, an initial report highlighting major findings is issued to the respective HOU. HOU will be given a deadline to respond and provide a CPAP in response to the findings. IAD will review the responses received and a meeting will be held to discuss on the above. During the meetings, a mutually agreed deadline is set to implement the corrective actions outlined in the CPAP. This process ensures that identified issues are addressed promptly and effectively within the organization.

An internal audit monitoring worksheet will be established to facilitate close monitoring by the IAD of the implementation of the CPAP. Depending on the severity of the identified risks, it may warrant a re-audit within a shorter period as opposed to the predetermined timetable. Furthermore, regular reviews are conducted to ensure adherence to established operating procedures and compliance with regulatory requirements. These routine assessments are set up to ensure operational integrity and also to mitigate risks effectively. The IAD also investigates complaints of misuse and abuse of the Group's system and processes, mismanagement of the Group's assets and other instances of fraud and malpractices, if any.

In the event that new operating procedures or control mechanisms are introduced to strengthen the internal control system, IAD will offer training support to the Group upon request or where necessary, to ensure that the established risk management process is carried out appropriately. Observations arising from the internal audit are presented, together with Management's response and proposed action plans, to the Audit Committee for its review and approval on a quarterly basis. The IAD will also update the Audit Committee on the progress of management's action plans in subsequent executions. Although a number of internal control weaknesses were identified during this process, none of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report.

### Review of Statement by External Auditors

In accordance with Paragraph 15.23 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and Audit and Assurance Practice Guide 3 ("AAPG 3") Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems.

Based on the review, the external auditors have reported that nothing has come to their attention that had caused them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is the statement factually inaccurate.

## **Statement on Risk Management and Internal Control (continued)**

### **Conclusion**

For the financial year under review and up to the date of this Statement, the Board is of the view that the Group's overall risk management and internal control system are operating adequately and effectively in all material aspects and have received the same assurance from both the Executive Chairman and Chief Financial Officer of the Group.

There were no material financial and non-financial losses reported as a result of weaknesses or deficiencies in the system of internal control and risk management. The Group will continue to review and implement measures to improve the risk management and internal control environment of the Group.

This Statement is made in accordance with a resolution of the Board dated 29 July 2025.

# Sustainability Statement

## Introduction

Asia File Corporation Bhd and its subsidiaries (“Asia File” or “the Group”) prioritize not only operational profitability but also the effective management of economic, environmental and social risks and opportunities to ensure long-term business sustainability. We believe that in addition to driving social and environmental change, sustainability initiatives can contribute to an organization's overall success.

Asia File’s Sustainability Statement (the “Statement”) aims to provide a formal account of the year’s sustainability strategies and action plans, the Group’s sustainability achievements, as well as the overall positive impact that these efforts created for its business, the environment and society at large.

This Statement is prepared in accordance with the guidelines set out in the Main Market Listing Requirement relating to Sustainability Statement in Annual Report of Listed Issuers issued by Bursa Malaysia Securities Berhad. The associated company of the Group has not been dealt with as part of the Group for the purpose of applying this guidance.

## Reporting Scope and Boundary

This Statement provides an overview of the Group’s sustainability performance and progress in its business operations from 1 April 2024 to 31 March 2025, unless otherwise specified. Where applicable, data from previous years are incorporated to monitor progress and offer comparative insights.

The scope of this Statement includes the main operational subsidiaries located in Malaysia, the United Kingdom and Germany, as detailed in the table below:

Division	Entities	Country
Manufacturing	<ul style="list-style-type: none"><li>• Asia File Products Sdn. Bhd.</li><li>• AFP Composite Sdn. Bhd.</li><li>• Supportive Technology Sdn. Bhd.</li><li>• Plastoreg Smidt GmbH</li><li>• Plastoreg Eastlight Limited</li><li>• Premier Stationery Limited</li></ul>	<ul style="list-style-type: none"><li>• Malaysia</li><li>• Malaysia</li><li>• Malaysia</li><li>• Germany</li><li>• United Kingdom</li><li>• United Kingdom</li></ul>
Marketing	<ul style="list-style-type: none"><li>• ABBA Marketing Sdn. Bhd.</li></ul>	<ul style="list-style-type: none"><li>• Malaysia</li></ul>
Paper Mill	<ul style="list-style-type: none"><li>• Higher Kings Mill Limited</li></ul>	<ul style="list-style-type: none"><li>• United Kingdom</li></ul>

## Reporting Frameworks and Standards

This Statement has been developed in accordance with Bursa Malaysia’s Listing Requirements, with reference to Bursa Malaysia’s Sustainability Reporting Guide (3<sup>rd</sup> Edition) and Toolkits.

This Statement should be read in conjunction with other sections of our Annual Report, namely the Management Discussion and Analysis, Corporate Governance Overview Statement, Statement on Risk Management and Internal Control and Corporate Governance Report, as our sustainability efforts are better contextualised and elaborated within these respective sections.

## Sustainability Statement (continued)

### Membership in Association

The Group holds memberships in the following associations / organisations:

1. Federation of Malaysian Manufacturers ("FMM")
2. The Supplier Ethical Data Exchange ("SEDEX")
3. Penang Paper & Stationer Association
4. Penang Chinese Chamber of Commerce
5. Penang Importers & Exporters Association
6. Forest Stewardship Council ("FSC")
7. The Programme for the Endorsement of Forest Certification ("PEFC")
8. The Blue Angel, Germany

### Assurance

There is no external assurance by seeking an independent evaluation of performance data published in this Statement. Nevertheless, regular reviews are in place in relation to the policies and procedures quoted in this Statement.

### Governance Structure

The Board has established a governance structure to drive and manage sustainable practices across the Group's operations. Our sustainability governance, spearheaded by the Board, is supported by the Sustainability Working Group ("SWG"), which comprises the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), senior management and departmental heads.

The Board oversees all sustainability matters within Asia File and leads the Group in embedding sustainability into its business strategies. The Board also involves in the management of material sustainability issues through robust processes and controls and seek regular updates and measures on management of sustainability matters. The Board considers economic, environmental and social ("EES") factors in the development of the Group's strategy and ensures that material EES issues are integrated into the Group's strategic and operational decision making.

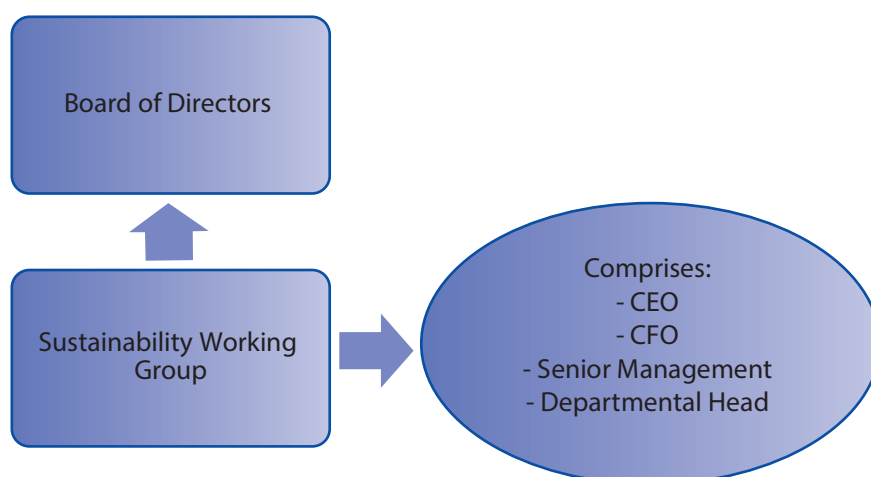
Under the SWG, the CFO assists the CEO in setting the Group's sustainability strategies, plans and priorities based on identified material issues. The SWG also reports critical sustainability matters to the Board for further consideration, as needed.

Senior management and departmental heads are responsible for implementing sustainability strategies within their respective operational units and supporting the Board in achieving the Group's sustainability goals and objectives.

Periodical reviews will be conducted by the Internal Audit Department ("IAD") to ensure compliance with sustainability practices across all operational units.

## Sustainability Statement (continued)

### Reporting Structure




### Sustainability Strategy

Our sustainability strategy is built upon Economic, Environmental and Social (“EES”) risks and opportunities, integrated within the Group’s corporate governance framework and commitment to corporate social responsibility. Through strong governance, environmentally responsible practices and sound social policies, we aim to achieve sustainable growth and deliver long-term value to our stakeholders.

The Group is committed to a sustainable future by proactively implementing strategies and initiatives that enhance the social, economic and environmental well-being of the community while creating lasting value for all stakeholders.






### Stakeholder Engagement

We recognise the crucial role our stakeholders play in the success of our business. It is essential for us to understand and proactively address their interests, expectations, and potential concerns. The table below outlines each stakeholder group, their key interests and expectations, and the corresponding engagement methods and frequency.

No	Stakeholders	Area of interest and concerns	Type of Engagement	Frequency
1	Shareholders / Investors 	<ul style="list-style-type: none"> <li>• Business performance and direction</li> <li>• Profitability and dividends</li> <li>• Good EES practices</li> <li>• Maximization of shareholders’ value</li> <li>• Sustainability agenda</li> </ul>	<ul style="list-style-type: none"> <li>• Annual General Meetings</li> <li>• Annual Reports</li> <li>• Bursa Malaysia Announcements</li> <li>• Corporate website</li> <li>• Regular communication with analysts / shareholders</li> <li>• Press releases</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Quarterly</li> <li>• As needed</li> </ul>



## Sustainability Statement (continued)

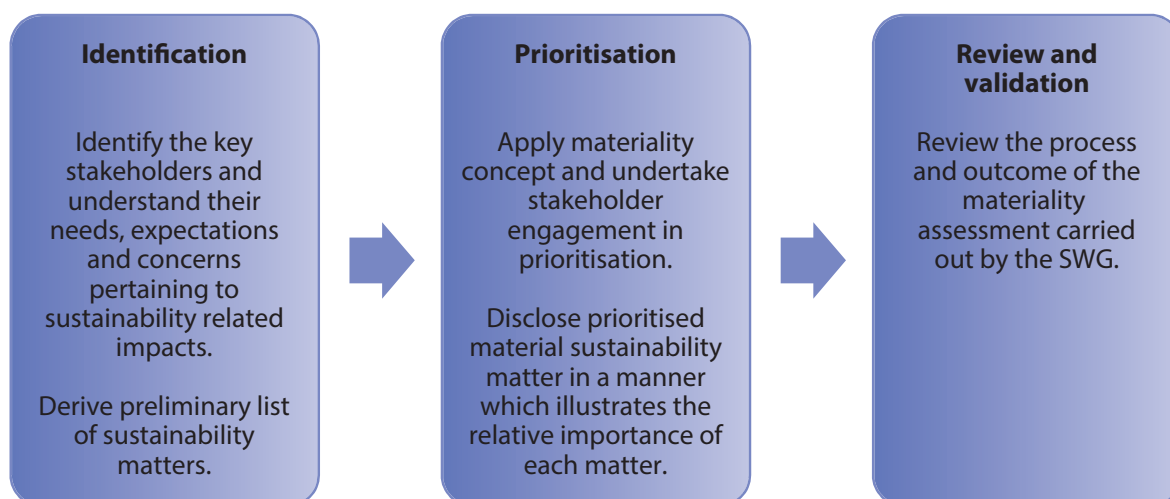
No	Stakeholders	Area of interest and concerns	Type of Engagement	Frequency
2	Employees 	<ul style="list-style-type: none"> <li>• Equal opportunity</li> <li>• Training and career development</li> <li>• Occupational safety and health</li> <li>• Remuneration and benefits</li> <li>• Work life balance and job satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Performance appraisals and employee recognition</li> <li>• Interaction with employees</li> <li>• Regular safety inspections</li> <li>• Team building activities</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Quarterly</li> <li>• Monthly</li> <li>• On-going</li> </ul>
3	Government / Regulatory Authorities 	<ul style="list-style-type: none"> <li>• Legal and regulatory compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Industry seminars and focus group discussions</li> <li>• Periodic visits and inspections</li> <li>• Submission of reports required under regulation</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Monthly</li> <li>• On-going</li> </ul>
4	Customers 	<ul style="list-style-type: none"> <li>• Quality of products and services</li> <li>• Good EES practices</li> <li>• Competitive pricing</li> <li>• Timely delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Customers feedback</li> <li>• Frequent customer engagement</li> <li>• Interaction via social media channels (e.g. TikTok, Facebook and Instagram) and live chat in E-Commerce platforms</li> <li>• Periodic visits and audit by customers</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• On-going</li> </ul>
5	Suppliers 	<ul style="list-style-type: none"> <li>• Compliance with suppliers' code of conducts</li> <li>• Fair pricing</li> <li>• Quality of goods and services</li> <li>• Sustainability and consistency in supply</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier assessment</li> <li>• Supplier engagements and meetings</li> <li>• Supplier visits</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• On-going</li> </ul>
6	Community 	<ul style="list-style-type: none"> <li>• Environmental protection</li> <li>• Community welfare</li> </ul>	<ul style="list-style-type: none"> <li>• CSR Engagements</li> <li>• Sponsorships and Donations</li> <li>• Job Opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• On-going</li> </ul>

## Sustainability Statement (continued)

### Material Matters

#### Our Approach to Materiality Assessment

Our materiality assessment process consists of three (3) distinct phases, as illustrated in the chart below:



#### Our Materiality Matrix

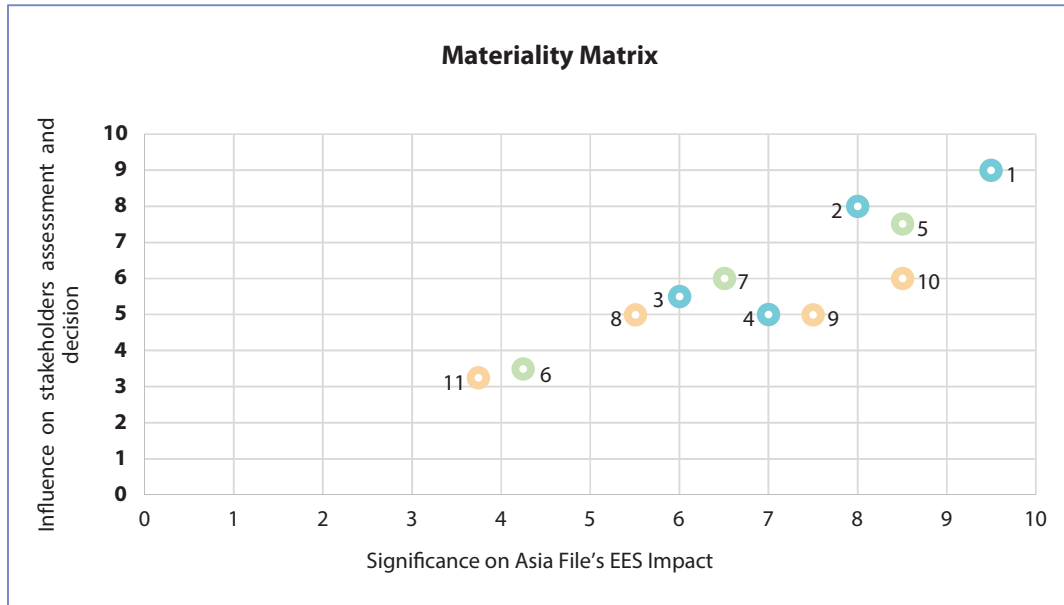
We have conducted a comprehensive materiality assessment involving key stakeholders to ensure their interests and concerns are effectively addressed. This process enables the Group to identify and respond to sustainability-related risks and opportunities in a timely and strategic manner.

To prioritize sustainability matters, we applied a scoring scale from 1 to 10, based on a hierarchy of importance with 10 being the most importance and 1 being the least importance.

During the year under review, a total of eleven (11) material sustainability matters were identified. These matters are grouped under three (3) main sustainability pillars: Economic, Environment and Social.

Economic	Environment	Social
<ol style="list-style-type: none"><li>1. Business Performance and Continuity</li><li>2. Corporate Governance and Ethics</li><li>3. Supply Chain Management</li><li>4. Data Protection and Privacy</li></ol>	<ol style="list-style-type: none"><li>5. Energy and Emission Management</li><li>6. Water Management</li><li>7. Waste Management</li></ol>	<ol style="list-style-type: none"><li>8. Employee Diversity and Equal Opportunity</li><li>9. Labour Practices and Standard</li><li>10. Occupational Safety and Health</li><li>11. Local Communities / Society</li></ol>

## Sustainability Statement (continued)



### Economic

Economic sustainability involves practices that promote long-term economic growth while safeguarding the social, environmental, and cultural well-being of the community. At the core of our approach is the belief that sustainable principles are essential to achieving enduring economic success.

We recognise the importance of integrating sustainability into our business strategy through effective cost management, economies of scale and continuous innovation in order to consistently deliver strong performance.

Businesses that adopt sustainable practices are better positioned for long-term success, alongside the well-being of society. In line with this belief, our business units are committed to sustainable practices that align with our goal of achieving sustainable economic growth. We understand that our long-term success depends not only on accessing new business opportunities, but also on maintaining strong, trust-based relationships with key stakeholders, including customers, employees, suppliers, shareholders and regulators.

#### 1. Business Performance and Continuity

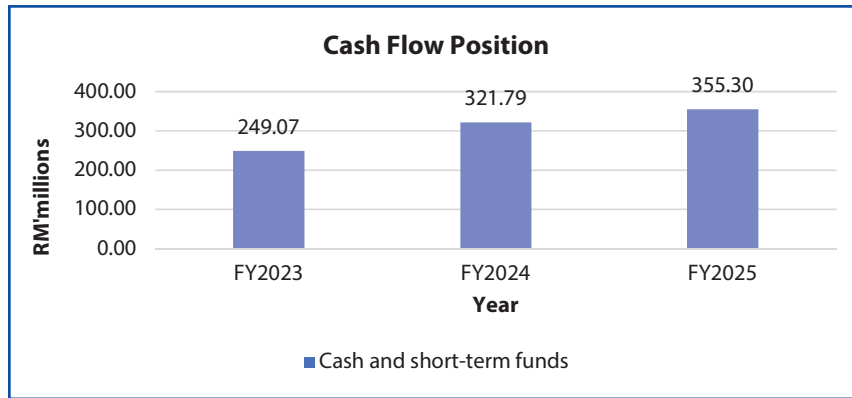
Business performance is not merely a measure of financial success; it also reflects a company's resilience, adaptability and sustainability in the face of evolving challenges.

The Group recognises the importance of delivering strong economic performance to sustain long-term business operations. We practice prudent financial management to maintain a robust balance sheet and healthy cash flow, ensuring long-term financial resilience.

The Group maintained a solid cash flow position with zero borrowings. During the financial year under review, we recorded a net operating cash inflow of RM18.48 million. As of 31 March 2025, the Group held total cash and cash equivalents (including short-term funds) amounting to RM355.30 million, which represents an improvement of 10.41% from prior financial year.

The strong financial strength will well-position us to fund future business expansion and growth opportunities.

## Sustainability Statement (continued)



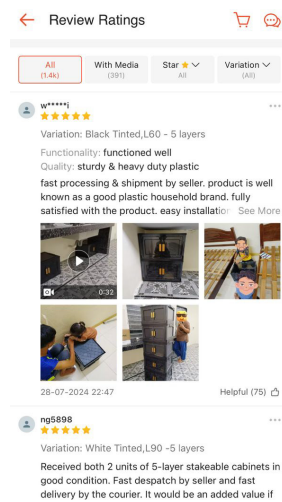
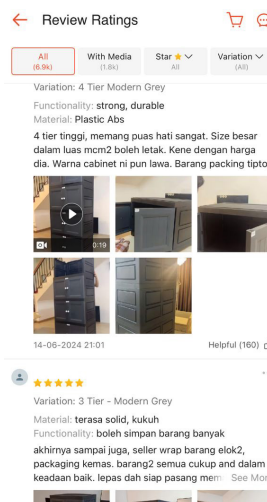
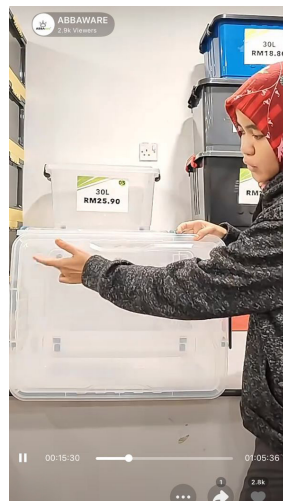
The Group has consistently adapted to a dynamic business environment through strategic product diversification. Driven by a strong commitment to enhance operational performance, we have achieved sustainable profitability by capitalizing on new business opportunities, identifying emerging trends, and continuously improving our efficiency and capabilities.

As part of our long-term sustainability goals, the Group has expanded into Industrial, Consumer, and Food Ware segment under our flagship brand, “ABBAware.” Recent product launches, including packaging films and trolleys, marked our continued efforts to broaden our portfolio and respond to evolving market needs. These products have been successfully launched on both local and international E-Commerce platforms, yielding positive results.

Our premier brand, ABBAware, has embraced trending social media presentation such as short-form videos and interactive engagement with our online customers. The above approach has significantly enhanced brand visibility and consumer interaction. We have also strengthened our digital presence by responding promptly to customer inquiries and feedback on social media, reinforcing our commitment to enhance customer satisfaction and transparency.

Through these targeted social media initiatives, we have successfully increased brand awareness, highlighted product benefits, and cultivated a loyal consumer community as reflected in the notable growth of our online followings. By leveraging on interactive content, influencer collaborations, and compelling fact-telling, ABBAware has deepened its connection with a growing audience base and further solidified its presence in the digital space. As of today, we are recognised as one of the preferred sellers on a leading E-Commerce platform in Malaysia. Since launching our online store in December 2021, we have gained over 120,000 followers and received more than 140,000 positive ratings on the platform.

The strong market response underscores the Group's competitiveness in product quality, service excellence, and pricing strategy. We remain committed to strengthening our E-Commerce presence, both domestically and globally, and to staying agile in response to shifting market dynamics.



## Sustainability Statement (continued)

Competing against 11 nominees across Malaysia, our subsidiary, ABBA Marketing Sdn. Bhd., was honoured with the prestigious Giant Business Partner of the Year 2024 – Gross Merchandise Sales award, organised by GCH Retail (Malaysia) Sdn. Bhd. This recognition stands as a strong testament to our outstanding market performance and product excellence, further reinforcing our position as one of the leaders in the industry.



***Giant's Business Partners Award 2024***

During the year, we participated in the Ambiente Fair 2025, organised by Messe Frankfurt Exhibition GmbH. Held from 7<sup>th</sup> to 11<sup>th</sup> February, 2025, in Frankfurt, Germany, the event featured 4,660 exhibitors and attracted approximately 148,000 visitors. Our presence included two dedicated booths, showcasing our latest product offerings to a global audience.



***Ambiente Fair 2025***

## 2. Corporate Governance and Ethics

At Asia File, we are committed to conducting our business in a fair, transparent, ethical, and principled manner. Beyond adhering to all relevant legal and regulatory requirements, we are dedicated to upholding the highest standards of integrity in every aspect of our operations and relationships. This commitment is reflected in our Code of Ethics and Conduct, which calls on all employees to embody honesty, fairness, responsibility, and integrity in the performance of their duties.

To further strengthen our ethical framework, the Board has implemented an Anti-Bribery and Anti-Corruption Policy. This policy outlines guiding principles aimed at effectively identifying, reducing, and mitigating the risks of bribery and corruption. Under the policy, it is strictly prohibited for Directors and employees to offer or accept gifts, whether monetary or in the form of other benefits, except for customary tokens of modest value given during festive or special occasions. This ensures the avoidance of conflicts of interest in the course of carrying out their responsibilities.

Additionally, the Board has established a Whistleblowing Policy that defines the internal reporting channels and procedures for raising genuine concerns or allegations regarding unethical or improper conduct. The policy ensures that individuals who report misconduct in good faith are protected from retaliation, thus encouraging transparency and accountability.



## Sustainability Statement (continued)

Our Anti-Bribery and Anti-Corruption Policy, Code of Ethics and Conduct and Whistleblowing Policy are publicly available on our Company's website at <https://www.asia-file.com/ir.html>.

New employees will receive induction training on their first day, which includes an overview of the Employee Handbook, Code of Ethics and Conduct, Anti-Bribery and Anti-Corruption Policy, Whistleblowing Policy, Health and Safety guidelines, and other security-related protocols. Refresher training on Anti-Bribery and Anti-Corruption and Whistleblowing policies is also provided to employees who engage regularly with vendors or external parties, to ensure continued compliance.

To further promote awareness and understanding of anti-bribery and anti-corruption practices, mandatory annual training is provided to targeted departments.

### Percentage of employees who have received training on anti-corruption by employee category

	FY2023	FY2024	FY2025
Manager and above	100%	100%	100%
Executive	39%	71%	84%
Non-Executive	30%	31%	33%

In FY2025, the Group conducted corruption risk assessments across 100% of its operations, covering eight (8) main entities. We are pleased to report zero incidents of corruption and remain committed to maintaining this strong track record in the years to come.

	FY2023	FY2024	FY2025
Percentage of operations assessed for corruption-related risks	100%	100%	100%
Number of confirmed incidents of corruption	-	-	-

### 3. Supply Chain Management

The Group acknowledges the critical role of an efficient and sustainable supply chain in its daily operations. To ensure a consistent supply of materials, the Group has implemented risk mitigation measures, including actively seeking alternative supply sources and exploring material substitutions. Additionally, the Group adopts a proactive approach by planning production schedules well in advance and regularly reviewing inventory management practices to allow timely responses to any potential supply disruptions.

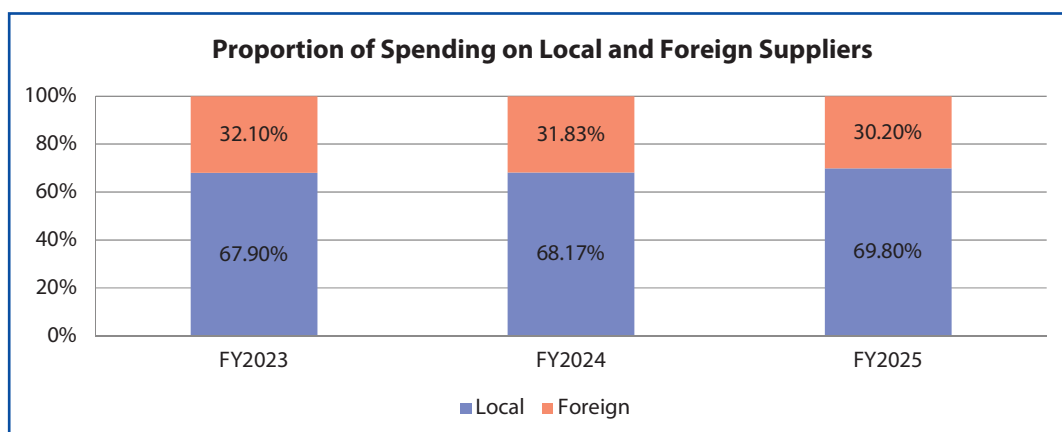
The Group is committed to supporting local suppliers as part of its broader strategy to promote sustainable business practices and contribute to local economic development. Currently, approximately 70% of our total purchases are made through local suppliers, reflecting our dedication to building strong relationships within the communities where we operate. Provided there are no unforeseen circumstances, we intend to maintain this level of local procurement going forward.

	FY2023	FY2024	FY2025
Local supplier	67.90%	68.17%	69.80%
Foreign supplier	32.10%	31.83%	30.20%

*Note: Figures for FY2023 and FY2024 have been further refined following internal housekeeping and data validation processes.*



## Sustainability Statement (continued)



### 4. Data Protection and Privacy

The Group recognises the critical importance of information security in its operations, given the constant creation, collection, and management of data concerning its stakeholders and business activities. We are fully committed to protecting the privacy and personal data of our customers, suppliers, and employees. Our cybersecurity protocols are designed to ensure that information is shared appropriately and lawfully, while safeguarding the confidentiality and integrity of our data.

In light of the growing prevalence of cybersecurity threats in recent years, the Group acknowledges its responsibility to manage these evolving risks effectively. We firmly believe in protecting sensitive information and proactively preventing any data breaches, cyber threats, or loss of confidential data, including customer related information. To address the issue, we have implemented a range of cybersecurity measures as outlined below:

- Establishing security policies covering network protection, system patching, data backup, and recovery protocols;
- Securing our technology infrastructure with protective measures such as encryption, firewalls, anti-virus software, and conducting periodic vulnerability assessments;
- Continuously raising employee awareness on cybersecurity risks, proper data handling, and the importance of information security; and
- Conducting periodic off-site data backups and annual disaster recovery simulations.

As of 31 March 2025, there were no substantiated complaints related to customer privacy breaches or data loss. We aim to maintain this strong record in the years ahead through continuous monitoring and improvement in implementing our cybersecurity measures.

	FY2023	FY2024	FY2025
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-	-

## Sustainability Statement (continued)

### Environment

The Group integrates safety and environmental considerations into all operational decisions and consistently strives for improvement to minimise environmental impact from its manufacturing activities. As a manufacturer dealing with paper and plastic materials, the Group places strong emphasis on adhering to environmental laws and regulations established by both local and overseas authorities.

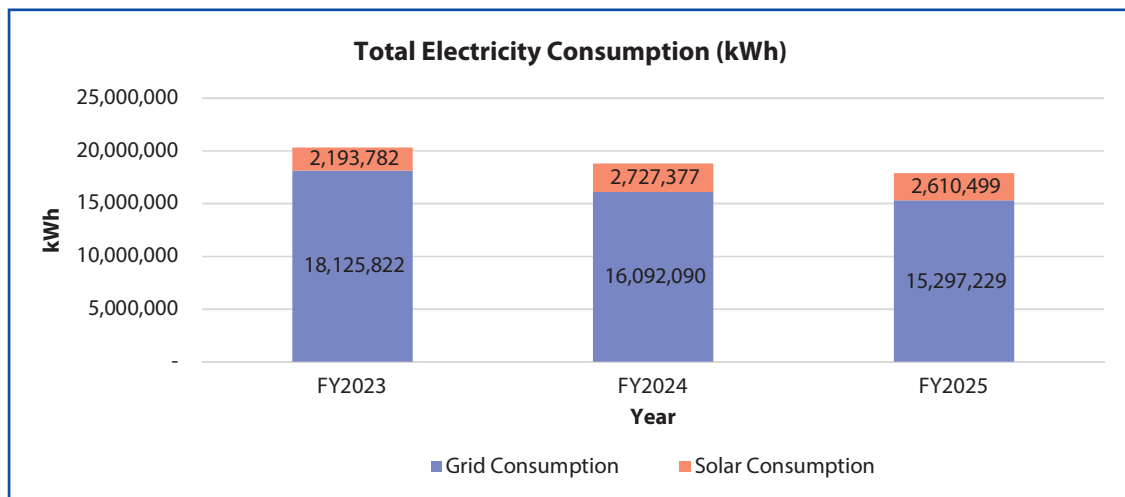
We firmly believe that environmental stewardship is fundamental to building and sustaining a resilient and responsible business. Accordingly, we are committed to full compliance with all relevant environmental controls and monitoring requirements across the Group's operations.

#### 5. Energy and Emission Management

Climate change is acknowledged as a significant global challenge, presenting both transition risks, including those related to policy, legal frameworks, technology, markets, and reputation and also physical risks to society and ecosystems. It is therefore essential to develop and implement comprehensive strategies to effectively address these risks. We recognise the importance of transitioning to sustainable energy sources, reducing greenhouse gas emissions, conserving water resources, and minimising waste generation. These efforts are fundamental to mitigating the adverse effects of climate change and to ensuring the long-term preservation of the planet for the well-being of current and future generations.

As part of our ongoing efforts to reduce our carbon footprint, the Group commenced the installation of solar photovoltaic (PV) systems to harness clean energy from sunlight beginning in FY2019. To date, we have invested over RM7.05 million in solar installation projects across all our major manufacturing sites in Malaysia, as well as our paper mill in the United Kingdom. These installations have collectively generated approximately 2.61 million kWh of electricity, representing around 14.58% of our total electricity consumption during FY2025.

Following these installations, the Group has achieved a total electricity cost savings of RM6.77 million, equivalent to 96.03% of the initial investment cost. Over the last three-year period from FY2023 to FY2025, the Group has successfully reduced greenhouse gas (GHG) emissions by a total of 3,205 tCO<sub>2</sub>e.



In addition, the Group has implemented several strategies to enhance energy efficiency and manage GHG emissions effectively. These initiatives include:

- Promoting energy-saving practices among employees;
- Implementing energy conservation measures across our facilities and operations, such as switching off lighting and air conditioning when not in use; and
- Encouraging the use of energy-efficient LED lighting.

## Sustainability Statement (continued)

The Group adopts the GHG Protocol as the basis for calculating emissions. All GHG emissions are converted to tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) using emission factors derived from the UNFCCC Harmonised Grid Emission Factors 2021.

### Direct – Scope 1 GHG Emissions

	FY2023	FY2024	FY2025
Fuel consumption (liter)	212,272	295,090	309,012
Heating oil consumption (liter)	29,304	31,568	35,565
LPG Gas consumption (liter)	51,979	53,675	39,991
<b>Scope 1 GHG emission (tCO<sub>2</sub>e)</b>	<b>627</b>	<b>839</b>	<b>857</b>

Note:

- (i) Scope 1 GHG emissions refer to emissions that come from the consumption of petrol and diesel by company vehicles, heating oil by our overseas subsidiaries for energy and LPG for forklift. The emission was calculated based on the actual usage.
- (ii) Fuel consumption increased slightly over the year, mainly due to a higher volume of deliveries for consumer and food ware products, and a reduced dependence on external transportation for delivering goods to customers. The fluctuation in heating oil usage was mainly due to the weather conditions at our overseas subsidiaries. During the financial year, we have also replaced some forklift trucks with electric models, resulting in reduced LPG consumption.

### Indirect – Scope 2 GHG Emissions

	FY2023	FY2024	FY2025
Grid Electricity consumption (kWh)	18,125,822	16,092,090	15,297,229
Gas Consumption (kWh)	28,813,625	23,543,580	24,907,221
<b>Scope 2 GHG emission (tCO<sub>2</sub>e)</b>	<b>10,843</b>	<b>9,361</b>	<b>9,260</b>

Note:

- (i) Scope 2 GHG emissions refer to emissions that come from the consumption of electricity and gas. The consumption was compiled based on monthly utility bills.
- (ii) The decrease in grid electricity consumption was attributable to a combination of lower production volumes and higher proportion in solar energy generation, while the fluctuation in gas consumption was primarily due to the weather conditions at our subsidiaries in the United Kingdom and Germany.

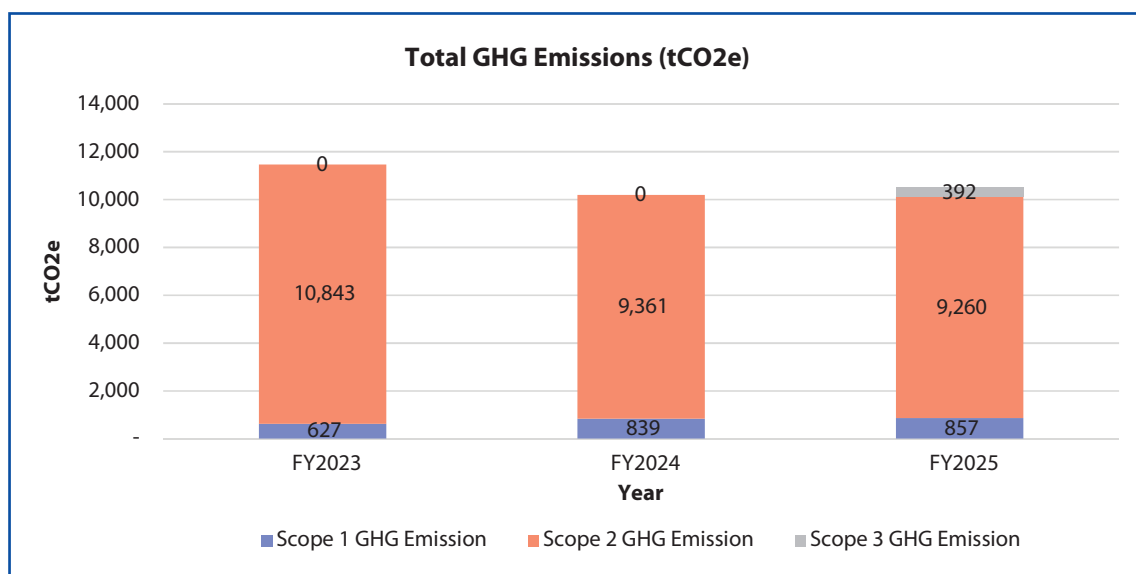
### Indirect – Scope 3 GHG Emissions

	FY2023	FY2024	FY2025
Employee commuting (km)	N/A	N/A	2,589,054
Business travel (km)	N/A	N/A	169,247
<b>Scope 3 GHG emission (tCO<sub>2</sub>e)</b>	<b>N/A</b>	<b>N/A</b>	<b>392</b>

Note:

- (i) This is the Group's first year compiling data for Scope 3 GHG emissions. Therefore, no previous year's data were available for comparison.
- (ii) Scope 3 GHG emissions include all other indirect emissions not accounted for under Scope 1 and Scope 2. These emissions arise from activities across our operations, specifically employee commuting and business travel. The data was compiled using a distance-based method, taking into account the mode of travel.
- (iii) We will continue to enhance our data collection processes in relation to employee commuting emissions (arising from transportation to and from work) as well as for business travel emissions, which result from transportation related to business activities.

## Sustainability Statement (continued)



Management has set a target to achieve net carbon neutrality by 2050 for our paper mill plant located in the United Kingdom. This aligns with the UK Government's commitment to reach net zero carbon emissions by 2050, as outlined in the Climate Change Act (2008). Efforts are currently underway at the paper mill to meet this goal.

### 6. Water Management

Access to clean and safe water is not only fundamental to human activity but also a basic human right and essential for sustaining life. However, many regions across the globe continue to face water scarcity, exacerbated by factors such as climate change. Although our operations are not currently situated in water-stressed regions, we acknowledge the importance of responsible and effective water management. We are committed to adopting sustainable practices aimed at conserving water, preventing water pollution, and ensuring the responsible use of this vital resource across all aspects of our operations.

Our water supply is sourced from established water utility companies with well-developed distribution infrastructure. In terms of discharge, we ensure that waste water from our operations is not released into oceans, rivers, lakes, natural ponds, or wells, in line with our environmental responsibility commitments.

To support effective water management, we have implemented several initiatives, including reducing water usage and conducting regular inspections of piping systems, water valves, and related equipment to prevent leakage and minimise wastage.

We monitor our water consumption through monthly utility bills. In FY2025, we have managed to achieve a reduction in water usage, reflecting the positive impact of our ongoing water conservation efforts.

	FY2023	FY2024	FY2025
Water consumption (m <sup>3</sup> )	225,106	176,508	171,677

## Sustainability Statement (continued)

### 7. Waste Management

We recognise the critical role effective waste management plays in protecting the environment, reducing pollution, and addressing climate change. By recycling and recovering valuable resources from waste, we can conserve energy and significantly lower greenhouse gas emissions. In particular, recycling helps reduce hazardous emissions, a key contributor to global warming.

Acknowledging the importance of sustainable waste practices in preserving ecosystems and mitigating climate impacts, we have implemented the following waste management initiatives:

- Installed recycling machines at various plants to process plastic waste for reuse in production, in order to optimise the use of plastic materials;
- Promote a culture of recycling by minimizing the use of externally sourced packaging materials and using internally produced materials composed of at least 30% recycled components;
- Ensure that all scheduled wastes, such as ink and solvents, are stored in safe locations and disposed of through authorised contractors for off-site treatment. Non-scheduled waste that has been identified is disposed of to third parties for further recycling;
- Encourage and educate employees to reduce paper consumption and promote a paperless work environment through our “Save Paper, Save Trees” initiative;
- Provide recycling bins to facilitate proper waste segregation and disposal; and
- Organise E-waste collection programmes from time to time, encouraging employees to dispose of electronic waste in designated bins.

	FY2023	FY2024	FY2025
Waste diverted from disposal (mt)	3,286	3,128	2,937
Waste directed to disposal (mt)	730	783	618
<b>Total Waste generated (mt)</b>	<b>4,016</b>	<b>3,911</b>	<b>3,555</b>

During the year, recyclable waste such as old clothes, books, paper, plastic products, and electronic devices were collected and donated to Eden Handicap Service Centre Berhad as part of our corporate social responsibility (CSR) initiatives for the local community. The Group has donated a total of 251.5 kg of recyclable items to Eden Handicap Service Centre Berhad, along with approximately 40 kg of recyclable drink sachet bags for use in handmade crafts.



## Sustainability Statement (continued)

### Social

#### 8. Employee Diversity and Equal Opportunity

Diversity, Equity and Inclusion (“DEI”) are fundamental pillars in evaluating corporate governance and cultivating a workplace where every individual feels valued and included. A diverse workforce will result in a broad spectrum of perspectives, experiences, and expertise, all of which are critical in fostering sound governance, driving informed business decisions, and ensuring sustainable growth. The Group remains firmly committed to building a diverse team and providing an inclusive, equitable, and respectful working environment for all.

At Asia File, we embrace the principles of DEI to ensure that the organisation is led and supported by individuals of varied backgrounds, including differences in age, ethnicity, and gender. We uphold the principle of equal employment opportunity and strictly prohibit any form of discrimination based on gender, age, ethnicity, or other personal attributes. All employees are to be treated fairly and with respect, free from prejudice related to gender, age, race, religion, cultural background, ethnicity, or disability. Discrimination, harassment, and victimisation are not tolerated under any circumstances. Any breach of this policy may result in disciplinary action, including termination of employment.

Diversity	Equity	Inclusion
Encompasses all the characteristics that make individuals unique. This includes, but not limited to, age, gender, experience, education, background, expertise, nationality, disability, race, culture, language, and personal perspectives.	Involves promoting fairness, justice, and impartiality in processes, procedures, and distribution of resources to ensure equal opportunities and outcomes for all individuals.	Ensures that every employee feels a sense of belonging, and that their individual needs are acknowledged and met. Inclusion fosters engagement, connection, and participation in the workplace.

We are dedicated to fostering a positive workplace culture that prioritises fairness and dignity. All employees are entitled to equal career opportunities, regardless of age, race, gender, religion, marital status, or disability. Remuneration is determined based on individual performance, assigned roles and responsibilities, and the Group’s overall financial performance.

As part of our ongoing efforts to maintain a well-balanced gender ratio, the Group actively supports the advancement of women in leadership. We continue to recruit, mentor, retain, and promote women across various roles to ensure equitable representation and opportunity.

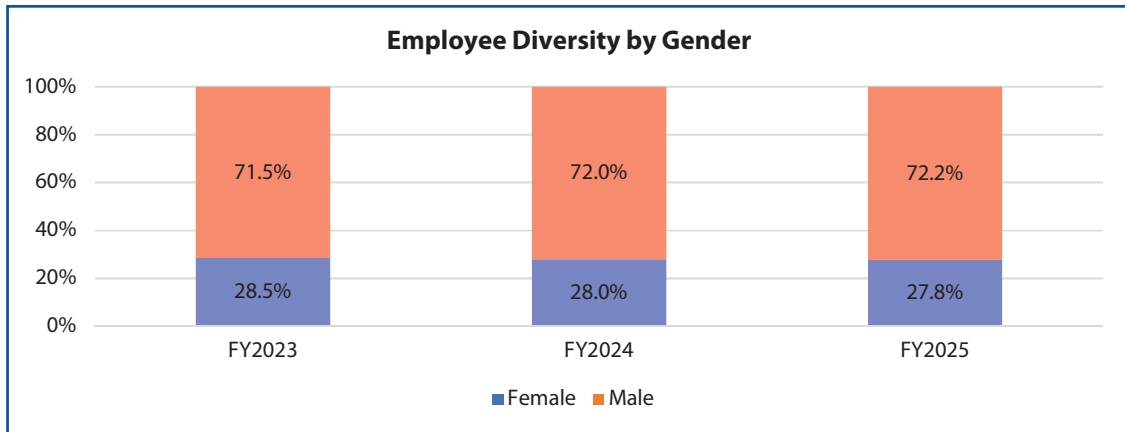
As of FY2025, the Group recorded a total of 722 employees, a slight decrease from 743 employees reported in FY2024.



## Sustainability Statement (continued)

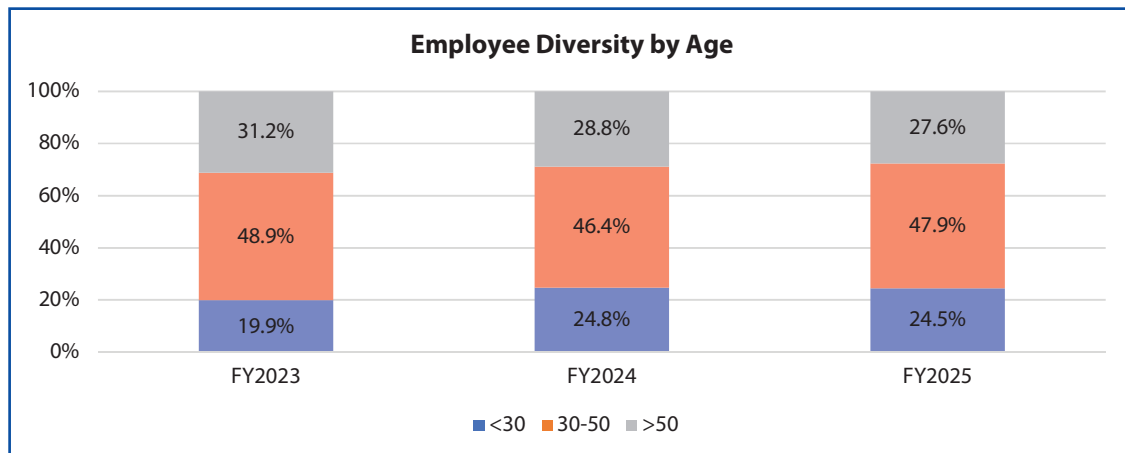
	FY2023		FY2024		FY2025	
By Gender	Male	Female	Male	Female	Male	Female
Managers and above	61.4%	38.6%	59.3%	40.7%	58.9%	41.1%
Executive	43.0%	57.0%	41.5%	58.5%	39.0%	61.0%
Non-Executive	78.3%	21.7%	79.5%	20.5%	81.0%	19.0%
<b>Total</b>	<b>71.5%</b>	<b>28.5%</b>	<b>72.0%</b>	<b>28.0%</b>	<b>72.2%</b>	<b>27.8%</b>

Note: Figures for FY2024 have been further refined following internal housekeeping and data validation processes.



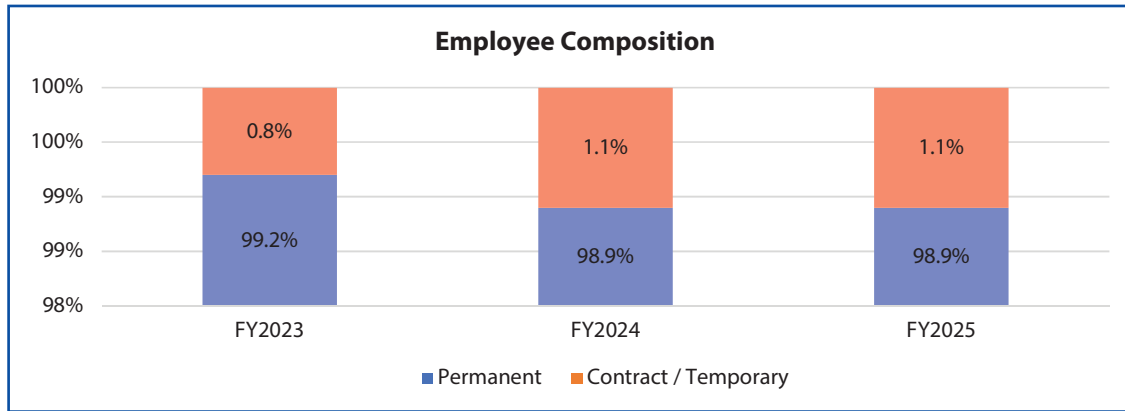
	FY2023			FY2024			FY2025		
By Age	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Managers and above	-	49.1%	50.9%	-	51.9%	48.1%	-	51.8%	48.2%
Executive	13.2%	43.8%	43.0%	14.4%	44.9%	40.7%	9.8%	52.0%	38.2%
Non-Executive	23.2%	49.9%	26.9%	29.3%	46.1%	24.6%	30.4%	46.6%	23.0%
<b>Total</b>	<b>19.9%</b>	<b>48.9%</b>	<b>31.2%</b>	<b>24.8%</b>	<b>46.4%</b>	<b>28.8%</b>	<b>24.5%</b>	<b>47.9%</b>	<b>27.6%</b>

Note: Figures for FY2024 have been further refined following internal housekeeping and data validation processes.

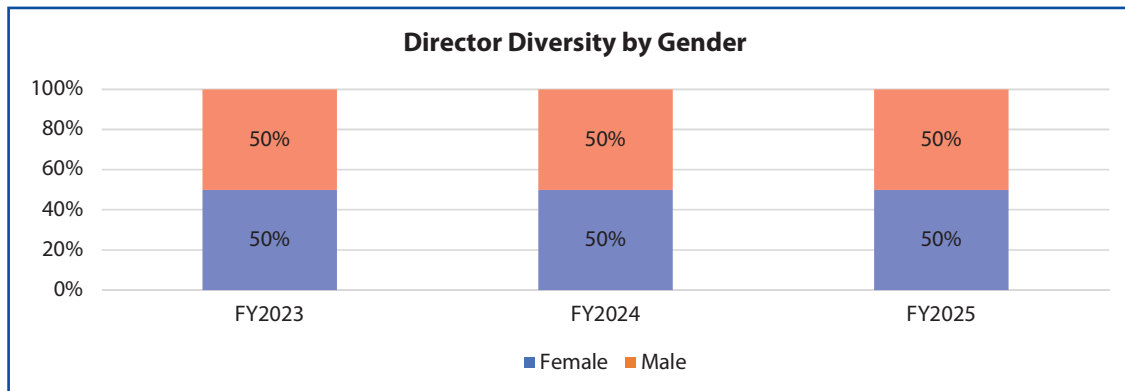


## Sustainability Statement (continued)

	FY2023	FY2024	FY2025
Contract / Temporary staff	0.8%	1.1%	1.1%
Permanent staff	99.2%	98.9%	98.9%

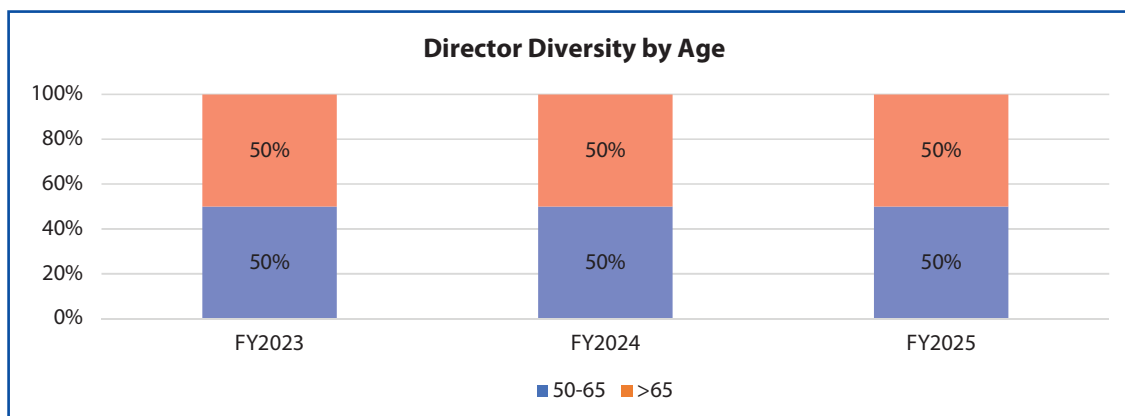


	FY2023		FY2024		FY2025	
By Gender	Male	Female	Male	Female	Male	Female
Director	50%	50%	50%	50%	50%	50%



	FY2023		FY2024		FY2025	
By Age	50-65	>65	50-65	>65	50-65	>65
Director	50%	50%	50%	50%	50%	50%

Note: For improved clarity and illustration, the age categories have been regrouped in this reporting year.



## Sustainability Statement (continued)

As part of our corporate social responsibility efforts, the Group is committed to fostering an inclusive workforce by providing employment opportunities to individuals with disabilities. As of FY2025, a total of 13 persons with disabilities were employed, representing a slight increase from 11 individuals employed in FY2024.

In line with our inclusive hiring practices, the Group also recruits qualified retirees to fill available positions. In FY2025, we engaged 36 retirees, compared to 32 in FY2024, reflecting our continued commitment to tapping into experienced talent and promoting age diversity in the workplace.

	FY2023	FY2024	FY2025
<b>Number of person with disabilities</b>	11	11	13
<b>Number of retirees</b>	32	32	36

### 9. Labour Practices and Standard

#### People Attraction and Retention

Employees are among the most valuable assets of any organisation, and at Asia File, we recognise our workforce as key stakeholders whose contributions are critical to the successful execution of the Group's strategies. In line with our commitment to fair and equal employment practices, we continuously strive to recruit, retain, and reward talent effectively.

We seek individuals who not only possess strong skill sets but also demonstrate positive attitudes and values. To attract and retain the right talent, we foster a work culture that promotes empowerment, engagement, and continuous development. For new joiners, a confirmation review is conducted as an avenue for the Human Resources Department to engage with them, addressing concerns related to job scope, working environment, and employee welfare.

An annual performance appraisal is conducted to evaluate and recognise employee contributions. This exercise serves as a key communication platform between employees and their respective Heads of Department ("HODs"), allowing for open discussions on career progression, performance improvement areas, and training needs.

We provide a wide range of benefits to support the well-being, growth, and satisfaction of our employees:

Categories	Benefits
Statutory Benefits	<ul style="list-style-type: none"> <li>• Compliance with minimum wage legislation</li> <li>• Mandatory statutory contribution schemes applicable to both local and overseas subsidiaries</li> <li>• Public holidays</li> </ul>
Leave Provisions	<ul style="list-style-type: none"> <li>• Annual leave</li> <li>• Medical leave</li> <li>• Maternity and paternity leave</li> <li>• Marriage leave</li> <li>• Compassionate leave</li> <li>• Hospitalisation leave</li> <li>• Unpaid leave</li> </ul>

## Sustainability Statement (continued)

Categories	Benefits
Employment Benefits	<ul style="list-style-type: none"> <li>• Subsidised Hospitalisation &amp; Surgery Scheme ("H&amp;S Scheme")</li> <li>• Personal Accident Insurance</li> <li>• Skill development opportunities</li> <li>• Optical, dental and medical benefits</li> <li>• Company loan facility</li> <li>• Employee Share Option Scheme ("ESOS")</li> <li>• Transportation and Uniforms</li> </ul>
Facilities	<ul style="list-style-type: none"> <li>• Locker facilities</li> <li>• On-site canteen</li> </ul>

In addition, the Group has organised a variety of programmes aimed at enriching the employee experience. These initiatives, including festive celebrations, team-building activities, health screenings, and tree planting event, encourage employees to connect and engage with one another. They help foster team spirit, strengthen workplace relationships, and promote a healthy lifestyle among our workforce.

During FY2025, the following activities were organised:

### Health Screening Programme

Held in September 2024, this programme involved approximately 140 employees. It was designed to raise awareness on health-related issues, identify potential health risks, and encourage early preventive measures to support employee well-being.





## Sustainability Statement (continued)

### Team Building Event

Held on 21 September 2024 at Hotel St. Giles Wembley, Penang, the team-building event brought together 110 employees. The programme featured a range of indoor and outdoor activities, including an “Ice Breaker” session, a team-based Fashion Show, and the “Georgetown Amazing Race” – a treasure hunt with five checkpoint stops at iconic locations around Penang. The event also included door gifts, meals, lucky draws, and awards for the best-performing team. It was designed to foster stronger team cohesion and promote a collaborative and enjoyable work culture.

#### *Ice Breaker Cheer Game*



#### *Fashion Show Preparation*



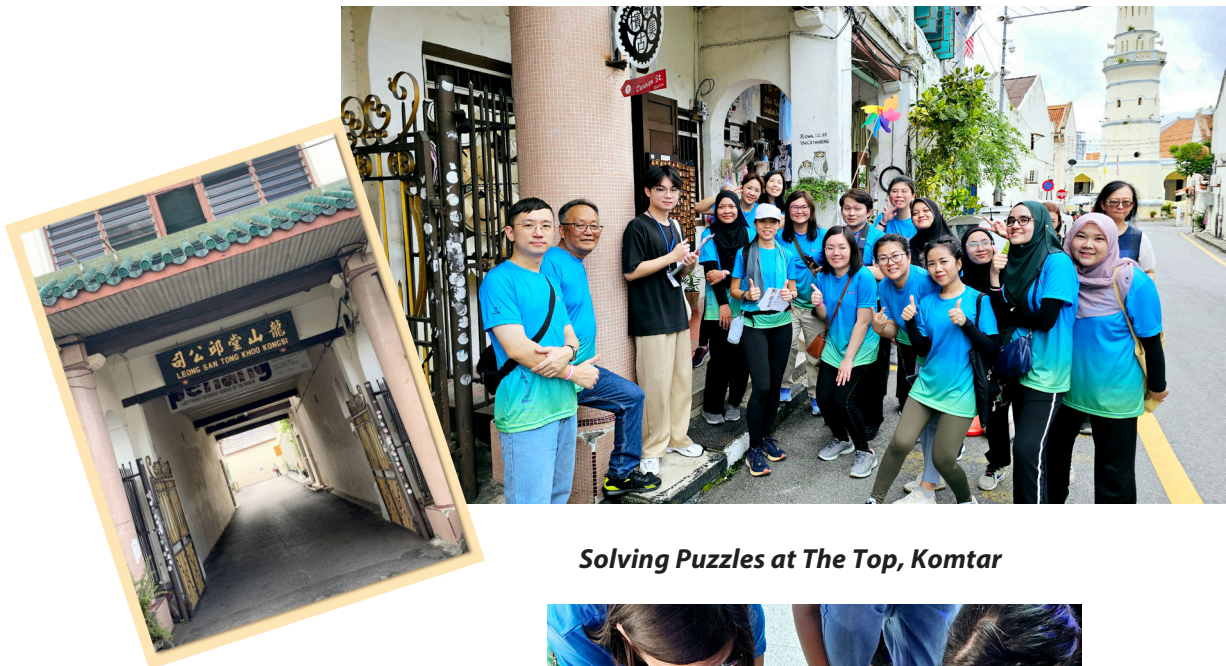


## Sustainability Statement (continued)

### *Fashion Show Time*



### *"Wefie" with Wall Art at Leong San Tong Khoo Kongsi*



### *Solving Puzzles at The Top, Komtar*





## Sustainability Statement (continued)

### Winners of the Lucky Draws



### The Habitat Penang Hill CSR Tree Planting Programme

On 15 February 2025, 16 employees participated in this environmental CSR initiative. The programme included a scenic ride on the funicular train to Penang Hill, a guided Kancil Walk exploring the rainforest's biodiversity and history, followed by a hands-on tree planting experience. It was a meaningful effort to promote environmental awareness and team bonding.



## Sustainability Statement (continued)

In FY2025, we recorded a total employee turnover of 134, representing a 12.4% decrease compared to the previous year.

	FY2023	FY2024	FY2025
Managers and above	6	6	4
Executive	11	13	19
Non-Executive	159	134	111
<b>Total employee turnover</b>	<b>176</b>	<b>153</b>	<b>134</b>

### Training

In addition to placing a strong emphasis on employee welfare, we firmly believe that ongoing development is essential for attracting and retaining top talent. We are dedicated to providing a dynamic and diverse learning environment that nurtures excellence across all roles. This approach has empowered our employees to grow professionally while also boosting their productivity and efficiency. In FY2025, we delivered a total of 4,091 training hours to our workforce, compared to 3,497 hours clocked in FY2024.

	FY2023	FY2024	FY2025
Managers and above	N/A	566	620
Executive	N/A	688	1,022
Non-Executive	N/A	2,243	2,449
<b>Total employee turnover</b>	<b>N/A</b>	<b>3,497</b>	<b>4,091</b>

*Note: As data compilation only started two (2) years ago, no data was available for FY2023.*

### Human Rights

Upholding human rights is not only a moral obligation but also a fundamental component of sustainable business practices. By recognising the inherent dignity and worth of every individual and treating all employees with respect, fairness, and integrity, regardless of their background or identity, we foster an inclusive workplace culture, which in turn enhance employees' morale and productivity.

At Asia File, we are fully committed to protecting and respecting human rights across all aspects of our operations. We adhere strictly to international standards, as well as all applicable local laws and regulations concerning human and labour rights. The Group remains steadfast in its principle of respecting and safeguarding human rights in every area of its business. We adopt a zero-tolerance policy toward child labour, slavery, and human trafficking.

Our Slavery and Human Trafficking Statement, which outlines the Group's approach to identifying and mitigating slavery-related risks, as well as the actions taken to prevent such practices, is available at <https://www.asia-file.com/ir.html>.

As of 31 March 2025, there were no substantiated complaints related to human rights violations. We remain committed to maintaining this zero-incident record on an ongoing basis.

	FY2023	FY2024	FY2025
Number of substantiated complaints concerning human rights violations	-	-	-

## Sustainability Statement (continued)

### 10. Occupational Safety and Health

Health and safety remain a top priority at Asia File. We are committed to maintaining a safe and healthy working environment for our employees, business partners and visitors, while also safeguarding the Group from potential legal liabilities. Our Employee Handbook outlines the safety rules and practices that all employees are required to follow at all times. Any breaches of these rules may result in disciplinary action.

The Group's health and safety efforts are overseen by the Health and Safety Committee, which plays a critical role in ensuring the effective implementation of our Health and Safety policies. Our goal is to prevent accidents, protect employee well-being, and promote a safety-first culture across all operations.

To support this commitment, we have established detailed operating procedures to ensure compliance with all applicable health and safety regulations. Key initiatives include:

- Conducting regular assessments to identify and address potential health and safety risks;
- Holding quarterly Health and Safety Committee meetings to review and manage safety policies and procedures;
- Performing regular reviews on safety procedures and providing training programmes, such as safe operation of motorised vehicles and machinery;
- Carrying out frequent inspections on buildings and equipment to ensure adherence to safe work practices;
- Providing personal protective equipment ("PPE") to all production employees;
- Conducting routine safety audits and fire drills;
- Installing automated sprinkler systems in most of our facilities to enhance fire safety and asset protection;
- Establishing Emergency Response Teams ("ERT") at each plant to ensure quick action during emergencies; and
- Enforcing strict disciplinary measures in response to serious breaches of health and safety policies.

#### Health and Safety Training

Regular training and briefings are conducted to cultivate a strong safety culture and ensure that all employees possess the necessary knowledge and skills to carry out their tasks safely and effectively. The Health and Safety Committee, together with the Internal Audit Department ("IAD"), plays a crucial role in monitoring the effectiveness of our health and safety policies, ensuring strict compliance by all employees.

Health and safety training needs are identified annually. Based on these needs, employees are enrolled in relevant training programmes, which may be delivered either in-house or through external public training sessions, depending on the nature and complexity of the training required.

In addition, fire drill was conducted as part of our emergency preparedness measures. This structured and rehearsed exercise was designed to familiarise employees with the proper evacuation procedures during a fire emergency. The objective was to ensure a swift, orderly, and safe evacuation, while minimising the risk of injury or casualties in the event of fire.

The Group has set a target to conduct at least one health and safety training course annually and aims to ensure that at least 10% of its employees will receive training on health and safety-related matters each year.

	FY2023	FY2024	FY2025
Number of employees trained on health and safety standards	N/A	696	663

*Note: As data compilation only started two (2) years ago, no data was available for FY2023.*



## Sustainability Statement (continued)

### *Fire Safety Organisation Course Held at Bayan Baru Fire and Rescue Station*





## Sustainability Statement (continued)

### *The Fire Safety Training Group Successfully Completed Their Course on 30 June 2024*



#### **Work Related Injuries**

In order to prevent workplace injuries, the Group has implemented accident prevention and wellness programmes, providing ongoing safety education through regular briefings, and supplying appropriate safety equipment, particularly for employees working in higher-risk areas.

We are pleased to report that during the financial year, there were zero work-related fatalities across the Group. We are committed to maintaining similar outcome in the years ahead.

While there were a total of five (5) lost time incidents recorded during the year, this resulted in a Lost Time Incident Rate ("LTIR") of 0.69, which remains below our benchmark target of 1.00. The Group remains committed to keeping the LTIR below 1.00 in future years as part of our continuous effort to improve workplace safety.

	FY2023	FY2024	FY2025
Number of work-related fatalities	-	-	-
Number of lost time incident injuries	5	5	5
Lost time incident rate	0.65	0.67	0.69

*Note: The injury rate, fatality rate, and LTIR are calculated based on the number of work-related injuries, fatalities, and lost time incidents, respectively, per 200,000 hours worked by employees based on the formula suggested by Bursa Malaysia. The 200,000 represents a standardised value of the total amount of hours that 100 employees work weekly for 40 hours for a duration of 50 weeks.*

#### **11. Local Communities / Society**

The communities surrounding our business premises form a vital foundation for our existence, growth, and long-term success. They provide the market we serve, the human capital we depend on, and a range of essential services that support our operations. Recognising this, we actively seek opportunities to engage with and support the communities around us. In particular, we are committed to giving back, especially to the underprivileged and those facing financial hardship.

## Sustainability Statement (continued)

As part of our community outreach efforts during FY2025, the Group fully sponsored the printing of the “Penang City Eye”, a quarterly pictorial magazine dedicated to promoting Penang’s rich culture and heritage. A total of four (4) issues were published during the year, with 8,000 booklets printed for each issue, amounting to 32,000 copies in total. The Group incurred a total printing cost of RM36,100 for this initiative. Creatively written and visually engaging, the magazine aims to foster a deeper appreciation for Penang’s lifestyle, traditions, and creative pursuits. It is distributed free of charge at arts and lifestyle establishments such as cafés, restaurants, schools, and homestays across Penang.

In addition to the printing sponsorship, the Group also contributed RM40,000 in cash donations to Penang City Eye Magazine to support its ongoing operations during the year.



The Group has also made donations of both cash and non-cash items, such as files, stationery and consumer items, to various schools and charitable entities. During the year, a total of RM54,833 in donations was raised to support such causes.

	FY2023	FY2024	FY2025
Total amount invested where the target beneficiaries are external parties	RM 93,690	RM 145,918	RM 130,933
Total number of beneficiaries of the investment in community	8	18	22

### Charity Food Fair of Penang Chinese Girls' School (105<sup>th</sup>)





## Sustainability Statement (continued)

### *Women's Centre for Change (WCC)*



### Conclusion

In conclusion, the Asia File Group remains committed to strive for sustainable growth, operational excellence, and responsible corporate governance. Our achievements across economic, environmental, social, and governance areas reflect our ongoing efforts to embed sustainability into all aspects of our operations.

Looking ahead, we will continue to strengthen our initiatives by reducing our environmental footprint, enhancing social impact, and maintaining high standards of integrity and transparency. By aligning with such global best practices, we aim to create long-term value and contribute to a more sustainable future.

## Sustainability Statement (continued)

Performance Data Table Generated from Bursa Malaysia's ESG Reporting Platform

Indicator	Measurement Unit	2024	2025
<b>Bursa (Anti-corruption)</b>			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	100.00	100.00
Executive	Percentage	71.00	84.00
Non-executive/Technical Staff	Percentage	31.00	33.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
<b>Bursa (Supply chain management)</b>			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	68.17*	69.80
<b>Bursa (Data privacy and security)</b>			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
<b>Bursa (Energy management)</b>			
Bursa C4(a) Total energy consumption	Megawatt	42,363.05	42,814.95
<b>Bursa (Emissions management)</b>			
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	839.00	857.00
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	9,361.00	9,260.00
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes		392.00
<b>Bursa (Water)</b>			
Bursa C9(a) Total volume of water used	Megalitres	176.51	171.68
<b>Bursa (Waste management)</b>			
Bursa C10(a) Total waste generated	Metric tonnes	3,911.00	3,555.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	3,128.00	2,937.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	783.00	618.00
<b>Bursa (Diversity)</b>			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Management Under 30	Percentage	0.00	0.00
Management Between 30-50	Percentage	51.90*	51.80
Management Above 50	Percentage	48.10*	48.20
Executive Under 30	Percentage	14.40	9.80
Executive Between 30-50	Percentage	44.90	52.00
Executive Above 50	Percentage	40.70	38.20
Non-executive/Technical Staff Under 30	Percentage	29.30	30.40
Non-executive/Technical Staff Between 30-50	Percentage	46.10	46.60
Non-executive/Technical Staff Above 50	Percentage	24.60	23.00
Gender Group by Employee Category			
Management Male	Percentage	59.30*	58.90
Management Female	Percentage	40.70*	41.10
Executive Male	Percentage	41.50	39.00
Executive Female	Percentage	58.50	61.00
Non-executive/Technical Staff Male	Percentage	79.50	81.00
Non-executive/Technical Staff Female	Percentage	20.50	19.00
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	50.00	50.00
Female	Percentage	50.00	50.00
Between 50-65	Percentage	50.00*	50.00
Above 65	Percentage	50.00*	50.00

Internal assurance

External assurance

No assurance

(\*)Restated

## Sustainability Statement (continued)

**Performance Data Table Generated from Bursa Malaysia's ESG Reporting Platform (continued)**

Indicator	Measurement Unit	2024	2025
<b>Bursa (Labour practices and standards)</b>			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	566	620
Executive	Hours	688	1,022
Non-executive/Technical Staff	Hours	2,243	2,449
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.10	1.10
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	6	4
Executive	Number	13	19
Non-executive/Technical Staff	Number	134	111
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
<b>Bursa (Health and safety)</b>			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.67	0.69
Bursa C5(c) Number of employees trained on health and safety standards	Number	696	663
<b>Bursa (Community/Society)</b>			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	145,918.00	130,933.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	18	22

Internal assurance

External assurance

No assurance

(\*)Restated

## Additional Compliance Information

The information set out below are disclosed in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad:

### 1. Utilisation of Proceeds Raised from Corporate Proposals

There were no proceeds raised by Asia File Corporation Bhd (“the Company”) from any corporate proposal during the financial year.

### 2. Share Buy-Back

During the financial year, a total of 5,913,000 shares of the Company were purchased and retained as treasury shares pursuant to the Shares Buy Back scheme.

The details of share buy-back during the year are as follows:

Month of Purchase	Number of Shares Purchased	Lowest Price (RM)	Highest Price (RM)	Average Price (RM)	Total Consideration* (RM)
August 2024	1,283,500	1.98	2.03	2.00	2,576,414
September 2024	901,600	1.91	1.98	1.93	1,748,347
October 2024	3,412,800	1.82	1.91	1.86	6,357,817
November 2024	315,100	1.80	1.81	1.81	570,172

\* Inclusive of transaction cost paid for the shares.

### 3. Employees’ Share Option Scheme (“ESOS”)

- (i) The Employees’ Share Option Scheme (“ESOS”) of the Company was approved by shareholders at the Extraordinary General Meeting held on 4 March 2022. The implementation of the ESOS is effective from 8 March 2022.
- (ii) The total number of ESOS options granted, exercised, forfeited and outstanding since its commencement up to 31 March 2025 is set out in the tables below:

Description	Number of Options as at 31 March 2025	
	Total Allocated to the Group	Executive Director of the Company
Granted	11,033,000	1,100,000
Exercised	1,218,500	330,000
Forfeited	1,226,700	-
Options Outstanding	8,587,800	770,000

- (iii) Percentage of options granted to Directors and Senior Management under ESOS are as follows:

Executive and Senior Management	Since commencement up to 31 March 2025
Aggregate maximum allocation	70.00%
Actual granted	28.91%

The Company did not grant any options to the Non-Executive Directors under the ESOS.

## **Additional Compliance Information (continued)**

### **4. Sanctions and/or Penalties**

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or Management by the relevant regulatory bodies during the financial year.

### **5. Audit and Non-audit Fees**

Fees for statutory audit paid to BDO PLT or its affiliates by the Company and the Group for the financial year amounted to RM 68,500 and RM819,195 respectively.

Fees for non-audit services paid to BDO PLT or its affiliates by the Company and the Group for the financial year amounted to RM 6,000 and RM 17,925 respectively.

### **6. Variation in Results**

There were no profit estimates, forecasts or projections made or released by the Company for the financial year ended 31 March 2025.

### **7. Profit Guarantee**

The Company did not provide any profit guarantee during the financial year.

### **8. Material Contracts**

There were no material contracts entered into by the Company and its subsidiaries involving directors' and major shareholders' interests, either still subsisting at the end of the financial year or entered into since the previous financial year.

### **9. Recurrent Related Party Transactions of a Revenue or Trading Nature**

Details of transactions with related parties undertaken by the Asia File Group during the period under review are disclosed in Note 31 to the Financial Statements.

### **Compliance Statement**

The Group has complied with the relevant principles and practices of the Malaysian Code on Corporate Governance in so far as they are applicable to the Group. The explanations for departure from the practices are available in the Corporate Governance Report.

## Directors' Report

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2025.

### PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding, commission agent and provider of management services. The principal activities of the subsidiaries are mainly involved in manufacturing and trading of stationery products, paper and plastic based related products and consumer and food wares products.

There have been no significant changes in the nature of the activities of the Company and its subsidiaries during the financial year.

### RESULTS

	<b>Group RM</b>	<b>Company RM</b>
(Loss)/Profit for the financial year	<u>(43,194,183)</u>	<u>12,855,821</u>
(Loss)/Profit attributable to:		
Owners of the parent	(43,297,912)	12,855,821
Non-controlling interests	<u>103,729</u>	<u>-</u>
	<u>(43,194,183)</u>	<u>12,855,821</u>

### DIVIDENDS

Dividends paid, declared and proposed since the end of the previous financial year were as follows:

	<b>Company RM</b>
In respect of financial year ended 31 March 2024:	
Single tier final dividend of 3.50 sen per ordinary share, paid on 24 October 2024	<u>6,754,736</u>

The Directors recommend a single tier final dividend of 2.00 sen per ordinary share, amounting to RM3,787,151 based on the number of ordinary shares in issue as at the date of this report, in respect of the financial year ended 31 March 2025, subject to the approval of shareholders at the forthcoming Annual General Meeting.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 March 2026.



## Directors' Report (continued)

### RESERVES AND PROVISIONS

Material transfers to or from reserves or provisions during the financial year include the following:

	<b>Group and Company RM</b>
Issuance of ordinary shares pursuant to Employees' Share Option Scheme ('ESOS')	(190,224)
Purchase of treasury shares	(11,252,750)
Share options vested under ESOS	<u>624,985</u>

### ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully paid-up ordinary shares of the Company was increased from 195,468,760 ordinary shares to 195,978,060 ordinary shares by way of issuance of 509,300 new ordinary shares pursuant to 509,300 options exercised under the ESOS at exercise price of RM1.5542 each for cash, totalling of RM791,554.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company. There were no other issuance of shares during the financial year.

The Company did not issue any debentures during the financial year.

### OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year apart from the issuance of options pursuant to the ESOS.

At an Extraordinary General Meeting of the Company held on 4 March 2022, the shareholders of the Company approved the establishment of an ESOS up to ten percent (10%) of the issued and fully paid-up capital (excluding treasury shares) of the Company for the eligible Executive Directors and employees of the Group. The ESOS shall be in force for a period of five (5) years commencing from 8 March 2022 ('Duration of the Scheme').

The salient features of the ESOS are as follows:

- (a) The maximum number of new ordinary shares in the Company which may be available under the Scheme shall not be more than ten percent (10%) of the issued and fully paid-up share capital (excluding treasury shares) of the Company at any point in time during the duration of the ESOS and further, the following shall be complied with:
  - (i) not more than seventy percent (70%) of the ESOS Options shall be allocated, in aggregate, to the eligible Executive Directors and senior management of the Group; and

## Directors' Report (continued)

### OPTIONS GRANTED OVER UNISSUED SHARES (continued)

The salient features of the ESOS are as follows: (continued)

- (a) The maximum number of new ordinary shares in the Company which may be available under the Scheme shall not be more than ten percent (10%) of the issued and fully paid-up share capital (excluding treasury shares) of the Company at any point in time during the duration of the ESOS and further, the following shall be complied with: (continued)
  - (ii) not more than ten percent (10%) of the total number of shares to be issued under ESOS shall be allocated to any eligible person who, either singly or collectively through persons connected with him/her, holds twenty percent (20%) or more of the issued and fully paid-up ordinary share capital of the Company.
- (b) Eligible persons are employees and Executive Directors, who have been confirmed in the employment of the Group and of the Company and have been in the employment of the Group and of the Company on a full time basis for at least six (6) months and have attained eighteen (18) years of age or above as at the date of offer.
- (c) The ESOS shall be in force for a period of five (5) years, commencing from 8 March 2022, subject to a further extension of five (5) years as the Board of Directors may determine.
- (d) The option price shall be determined by the Board of Directors upon recommendation of the ESOS committee at a discount of not more than ten percent (10%) from the volume weighted average market price of the ordinary shares of the Company as quoted by Bursa Malaysia Securities Berhad for the five (5) market days immediately preceding the date of the offer.
- (e) The options granted are exercisable on a time proportion basis over the duration of the ESOS. The employee's entitlement to the options is vested as soon as they become exercisable.
- (f) The options granted are not entitled to dividends, rights, allotments or any other form of distributions unless the eligible persons become the shareholder of the Company by exercising the ESOS options.

The details of the options over ordinary shares of the Company are as follows:

	[-----Number of options over ordinary shares-----]				
	Balance as at 1.4.2024	Exercised	Forfeited*	Balance as at 31.3.2025 <sup>^</sup>	Exercisable as at 31.03.2025
Date of offer					
24 June 2022	9,477,100	(509,300)	(380,000)	8,587,800	3,701,300
Exercise price (RM)					1.5542

\* Due to resignation

<sup>^</sup> Exercisable by the grantee upon achieving the vesting conditions set by the ESOS Committee and are subject to the allotment of shares between 15% to 30% per year over vesting period of five (5) years.

## Directors' Report (continued)

### REPURCHASE OF OWN SHARES

At the Annual General Meeting held on 27 September 2024, the shareholders of the Company by an ordinary resolution renewed the mandate given to the Company to repurchase its own shares based, amongst others, on the following terms:

- (i) The number of shares to be repurchased and/or held as treasury shares shall not exceed 10% of its existing issued and paid-up share capital of the Company;
- (ii) The amount to be utilised for the repurchase of own shares by the Company shall not exceed the total retained earnings of the Company at the time of purchase; and
- (iii) The Directors may retain the shares so repurchased as treasury shares and may resell the treasury shares and/or distribute them as share dividend and/or cancel them in a manner they deem fit in accordance with the provisions of the Companies Act 2016 in Malaysia and listing requirements and applicable guidelines of Bursa Malaysia Securities Berhad.

The Company has the rights to retain, cancel, resell and/or distribute these shares as dividends. As treasury shares, the rights attached to them as to voting, dividends and participation in any other distributions or otherwise are suspended.

During the financial year, the Company repurchased 5,913,000 of its issued ordinary shares from the open market of Bursa Malaysia Securities Berhad at an average price of RM1.90 per ordinary share. The total consideration paid, net of transactions costs, for the repurchased shares was RM11,252,750 and was financed by internally generated funds.

As at 31 March 2025, the Company held a total of 6,620,500 ordinary shares as treasury shares out of its 195,978,060 issued and fully paid-up ordinary shares. Such shares are held at a carrying amount of RM12,466,391. The shares repurchased are being held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016 in Malaysia and the Main Market Listing Requirements and applicable guideline of Bursa Malaysia Securities.

### DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Asia File Corporation Bhd.

Dato' Lim Soon Huat

Chua Hooi Luan

Lee Thean Yew

Koay Siu Hoay

Lam Voon Kean

(Appointed on 30 June 2025)

(Retired on 30 June 2025)

## Directors' Report (continued)

### DIRECTORS (continued)

The Directors who have held office during the financial year and up to the date of this report are as follows:  
(continued)

Subsidiaries of Asia File Corporation Bhd.

Dato' Lim Soon Huat

Chan Sook Chin

Lim Chin Chin

Lim Hooi Ling

Lim Mei Chin

Rodney Christopher Martin

Lim Soon Hee

Lim Kuok Yeow

(Appointed on 30 June 2025)

Goh Phaik Ngoh

(Resigned on 30 June 2025)

### DIRECTORS' INTERESTS

The Director holding office at the end of the financial year and his beneficial interests in the ordinary shares and options over ordinary shares of the Company and of its related corporations during the financial year ended 31 March 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	[----- Number of ordinary shares -----]		
	<b>Balance as at</b>		<b>Balance as at</b>
	<b><u>1-4-2024</u></b>	<b><u>Bought</u></b>	<b><u>Sold</u></b>
			<b><u>31-3-2025</u></b>

#### Shares in the Company

##### Direct interest:

Dato' Lim Soon Huat	6,125,455	982,900	-	7,108,355
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##### Indirect interest:

Dato' Lim Soon Huat #	89,812,211	95,000	-	89,907,211
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	[----- Number of options over ordinary shares -----]		
	<b>Balance as at</b>		<b>Balance as at</b>
	<b><u>1-4-2024</u></b>	<b><u>Granted</u></b>	<b><u>Exercised</u></b>
			<b><u>31-3-2025</u></b>

#### Shares options in the Company

##### Direct interest:

Dato' Lim Soon Huat	770,000	-	-	770,000
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##### Indirect interest:

Dato' Lim Soon Huat ^	1,600,000	-	(95,000)	1,505,000
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# Deemed interest by virtue of shareholdings held through the spouse and/or children pursuant to Section 59(11)(c) and shareholdings in Prestige Elegance (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

^ Deemed interest by virtue of shareholdings held through children pursuant to Section 59 (11)(c) of the Companies Act 2016.

## Directors' Report (continued)

### DIRECTORS' INTERESTS (continued)

By virtue of Section 8(4) of the Companies Act 2016 in Malaysia, Dato' Lim Soon Huat is deemed to be interested in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than those disclosed above, none of the other Directors holding office at the end of the financial year held any interest in the ordinary shares and options over ordinary shares of the Company and of its related corporations during the financial year.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than the following:

- (a) Certain Directors who may be deemed to derive benefits by virtue of trade transactions entered into with companies in which certain Directors have substantial financial interests; and
- (b) Certain Directors who received remuneration from the subsidiaries as Directors of the subsidiaries.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate except for the share options granted pursuant to the ESOS disclosed above.

### DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 31 March 2025 were as follows:

	Group RM	Company RM
Fees	401,040	326,740
Other emoluments	3,577,853	3,577,853
Share options granted under share options scheme	67,712	67,712
Benefits-in-kind	28,000	28,000
	<u>4,074,605</u>	<u>4,000,305</u>

### INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There were no indemnity given to or insurance effected for the Directors, officers and auditors of the Group and of the Company during the financial year.

## Directors' Report (continued)

### OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

#### (I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

#### (II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
  - (i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
  - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
  - (i) there has not arisen any item, transaction or event of a material and unusual nature which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
  - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.



## Directors' Report (continued)

### OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (continued)

#### (III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

#### SUBSIDIARIES

The details of the subsidiaries are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
ABBA Marketing Sdn. Bhd.	Malaysia	100%	100%	Trading of stationery products, consumer and food wares, graphic designing and desktop publishing
ABBA Industrial Sdn. Bhd. (formerly known as Sin Chuan Marketing Sdn. Bhd.)	Malaysia	100%	100%	Dormant
AFP Composite Sdn. Bhd.	Malaysia	100%	100%	Manufacture and supply of plastic related products and filing products
Asia File Products Sdn. Bhd.	Malaysia	100%	100%	Manufacture and sale of stationery products, consumer and food wares and other paper and plastic based products
Formosa Technology Sdn. Bhd.	Malaysia	100%	100%	Manufacturing and trading of recyclable food wares and plastic related products

## Directors' Report (continued)

### SUBSIDIARIES (continued)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
Higher Kings Mill Limited	United Kingdom	100%	100%	Manufacture and sale of coloured paper and boards for filing, educational and other specialty markets
Lim & Khoo Sdn. Bhd.	Malaysia	100%	100%	Investment holding
Premier Stationery Limited	United Kingdom	95%	95%	Import, assembly and distribution of stationery products
Premier Stationery Pte. Ltd.	Singapore	100%	100%	Trading of stationery products
Supportive Technology Sdn. Bhd.	Malaysia	100%	100%	Manufacturing and selling of consumer plastic ware products
<b>Subsidiaries of Asia File Products Sdn. Bhd.</b>				
Plastoreg Smidt GmbH	Germany	100%	100%	Manufacture and distribution of stationery products
Plastoreg Eastlight Limited	United Kingdom	100%	100%	Manufacture and distribution of stationery products and consumer wares

## Directors' Report (continued)

### AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2025 were as follows:

	Group RM	Company RM
<b>Statutory audit</b>		
- BDO PLT, Malaysia	200,000	68,500
- BDO member firms	619,195	-
- other auditors	21,440	-
<b>Other services</b>		
- BDO PLT, Malaysia	6,000	6,000
- BDO member firms	11,925	-
	<u>858,560</u>	<u>74,500</u>

Signed on behalf of the Board in accordance with a resolution of the Directors.

**Dato' Lim Soon Huat**  
Director

**Chua Hooi Luan**  
Director

Penang  
29 July 2025

## Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 79 to 142 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

**Dato' Lim Soon Huat**

Director

**Chua Hooi Luan**

Director

Penang

29 July 2025

## Statutory Declaration

I, Goh Phaik Ngoh (CA 11330), being the officer primarily responsible for the financial management of Asia File Corporation Bhd., do solemnly and sincerely declare that the financial statements set out on pages 79 to 142 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the  
abovenamed at George Town in the State  
of Penang this 29 July 2025

**Goh Phaik Ngoh**

Chief Financial Officer

Before me,

Haji Mohamed Yusoff Bin Mohd Ibrahim

No. P156

Commissioner for Oaths

Penang

# **Independent Auditors' Report To the Members of Asia File Corporation Bhd.**

## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of Asia File Corporation Bhd., which comprise the statements of financial position as at 31 March 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended and notes to the financial statements, including material accounting policy information, as set out on pages 79 to 142.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ('MFRSs'), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

### **Basis for Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ('ISAs'). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ('By-Laws') and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **1. Impairment of goodwill**

The carrying amount of goodwill of the Group as at 31 March 2025 amounted to RM28,049,456, which was net of impairment loss of RM2,185,000 as disclosed in Note 8 to the financial statements.

We determined this to be a key audit matter because it requires significant judgements and estimates by the management about the future results and key assumptions applied to cash flows projection of the cash generating unit ('CGU') in determining the recoverable amount. The key assumptions include projected growth in future revenue and profit margins, as well as determining an appropriate pre-tax discount rate and growth rates.

# **Independent Auditors' Report**

## **To the Members of Asia File Corporation Bhd. (continued)**

### **Key Audit Matters (continued)**

#### **1. *Impairment of goodwill (continued)***

##### ***Audit response***

Our audit procedures included the following:

- (a) Assessed the historical reliability of projections of the Group by comparing prior period projection to actual results for the financial year;
- (b) Assessed the reasonableness of the key assumptions used by management in the cash flows projections;
- (c) Assessed the reasonableness of the pre-tax discount rate used by management by comparing to market data, weighted average cost of capital of the industry and other relevant risk factor; and
- (d) Performed sensitivity analysis to stress test the key assumptions used by management in the impairment assessment.

#### **2. *Impairment of investment in an associate***

As at 31 March 2025, the net carrying amount of investment in an associate of the Group amounted to RM141,794,838 as disclosed in Note 10 to the financial statements.

We determined this to be a key audit matter because it requires significant judgements and estimates by the management about the key assumptions applied to value-in-use calculations using the cash flow projections from dividends derived from the Dividend Discount Model in determining the recoverable amount of the investment in an associate. The key assumptions include future dividend growth rate, as well as determining an appropriate pre-tax discount rate.

##### ***Audit response***

Our audit procedures included the following:

- (a) Evaluated the reasonableness of the key assumptions used by management in the cash flow projections from dividends by assessing historical dividend yield of the associate and corroborated it to the other available audit evidence and findings; and
- (b) Verified pre-tax discount rate used by management to the weighted average cost of capital of the associate and its relevant risk factors.



# **Independent Auditors' Report**

## **To the Members of Asia File Corporation Bhd. (continued)**

### **Key Audit Matters (continued)**

#### **3. Valuation of inventories**

Inventories of the Group as at 31 March 2025 were RM82,718,707 as disclosed in Note 13 to the financial statements.

We have determined this to be a key audit matter because there is inherent subjectivity and estimation involved in determining the adequacy of allowance for inventory obsolescence and in assessing the net realisable value of inventories requiring write down.

#### **Audit response**

Our audit procedures, with the involvement of component auditors, included the following:

- (a) Attended physical inventory count as at year end and observed whether there were inventories that may be slow-moving, damaged or obsolete;
- (b) Compared unit costs of sample inventories to sales values subsequent to the financial year to test whether the carrying amounts of inventories are stated at the lower of cost and net realisable value at financial year end;
- (c) Tested the accuracy of the last transaction date of inventories based on the inventory list used to quantify slow-moving inventories; and
- (d) Assessed the reasonableness and adequacy of the allowance for inventory obsolescence recognised in the financial statements.

We have determined that there are no key audit matters to communicate in our report in respect to the audit of the financial statements of the Company.

### **Information Other than the Financial Statements and Auditors' Report Thereon**

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Independent Auditors' Report To the Members of Asia File Corporation Bhd. (continued)**

### **Responsibilities of the Directors for the Financial Statements**

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards, and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

## **Independent Auditors' Report To the Members of Asia File Corporation Bhd. (continued)**

### **Auditors' Responsibilities for the Audit of the Financial Statements (continued)**

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 9 to the financial statements.

**Independent Auditors' Report**  
**To the Members of Asia File Corporation Bhd. (continued)**

**Other Matters**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**BDO PLT**

201906000013 (LLP0018825-LCA) & AF 0206  
Chartered Accountants

Penang  
29 July 2025

**Lee Beng Tuan**

03271/07/2026 J  
Chartered Accountant

## Statements of Financial Position

### As At 31 March 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	96,679,262	104,072,491	1,179	1,487
Right-of-use assets	6	2,887,232	4,511,391	-	-
Investment properties	7	9,334,217	9,513,202	-	-
Intangible assets	8	28,049,474	30,234,474	-	-
Investments in subsidiaries	9	-	-	228,105,030	226,752,265
Investment in an associate	10	141,794,838	215,064,092	35,683,093	35,683,093
		278,745,023	363,395,650	263,789,302	262,436,845
Current assets					
Inventories	13	82,718,707	90,651,512	-	-
Trade and other receivables	11	56,878,259	51,976,648	6,136,305	7,895,651
Other investments	14	75,586,668	30,005,710	1,997,961	1,907,452
Current tax assets		1,150	6,327	-	-
Cash and bank balances	15	279,711,403	316,958,069	7,983,517	18,564,761
		494,896,187	489,598,266	16,117,783	28,367,864
TOTAL ASSETS		773,641,210	852,993,916	279,907,085	290,804,709
EQUITY AND LIABILITIES					
Equity attributable to the owners of the parent					
Share capital	16	204,679,470	203,697,692	204,679,470	203,697,692
Treasury shares	17	(12,466,391)	(1,213,641)	(12,466,391)	(1,213,641)
Reserves	18	532,015,119	589,477,434	87,243,008	80,707,162
		724,228,198	791,961,485	279,456,087	283,191,213
Non-controlling interests		797,793	728,373	-	-
TOTAL EQUITY		725,025,991	792,689,858	279,456,087	283,191,213



**Statements of Financial Position**  
**As At 31 March 2025 (continued)**

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
LIABILITIES					
Non-current liabilities					
Lease liabilities	6	-	183,412	-	-
Deferred tax liabilities	12	15,638,100	15,977,949	-	-
		15,638,100	16,161,361	-	-
Current liabilities					
Lease liabilities	6	770	1,348,246	-	-
Trade and other payables	19	26,296,695	36,787,879	410,788	7,466,325
Current tax liabilities		6,679,654	6,006,572	40,210	147,171
		32,977,119	44,142,697	450,998	7,613,496
TOTAL LIABILITIES		48,615,219	60,304,058	450,998	7,613,496
TOTAL EQUITY AND LIABILITIES		773,641,210	852,993,916	279,907,085	290,804,709

The accompanying notes form an integral part of the financial statements.

**Statements of Profit or Loss and Other Comprehensive Income  
For the Financial Year Ended 31 March 2025**

		Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	21	275,130,476	294,235,077	20,460,401	22,597,808
Cost of sales		(176,324,012)	(191,251,694)	-	-
Gross profit		98,806,464	102,983,383	20,460,401	22,597,808
Other income	22	22,066,269	26,594,164	828,731	1,360,532
Distribution costs		(28,904,545)	(25,890,402)	-	-
Administrative expenses		(36,792,261)	(37,606,756)	(7,652,187)	(7,053,358)
Other operating expenses		(70,237,069)	(166,026)	(628,494)	(1,282)
Finance cost	26	(38,759)	(119,483)	-	-
Net (losses)/gains on impairment of financial assets	11(g)	(49)	28,964	-	-
Share of loss of an associate, net of tax		(15,790,763)	(1,096,354)	-	-
(Loss)/Profit before tax		(30,890,713)	64,727,490	13,008,451	16,903,700
Tax expense	27	(12,303,470)	(12,533,465)	(152,630)	(321,243)
(Loss)/Profit for the financial year		(43,194,183)	52,194,025	12,855,821	16,582,457
<b>Other comprehensive income, net of tax</b>					
<b>Item that may be reclassified subsequently to profit or loss</b>					
Foreign currency translations		(6,144,660)	10,129,764	-	-

**Statements of Profit or Loss and Other Comprehensive Income  
For the Financial Year Ended 31 March 2025 (continued)**

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
<b>Item that will not be reclassified subsequently to profit or loss</b>					
Share of other comprehensive (loss)/income of equity-accounted associate		(1,734,077)	1,203,905	-	-
Other comprehensive (loss)/income for the financial year, net of tax		(7,878,737)	11,333,669	-	-
Total comprehensive (loss)/income for the financial year		<u>(51,072,920)</u>	<u>63,527,694</u>	<u>12,855,821</u>	<u>16,582,457</u>
(Loss)/Profit attributable to:					
Owners of the parent		(43,297,912)	52,074,605	12,855,821	16,582,457
Non-controlling interests		<u>103,729</u>	<u>119,420</u>	<u>-</u>	<u>-</u>
		<u>(43,194,183)</u>	<u>52,194,025</u>	<u>12,855,821</u>	<u>16,582,457</u>
Total comprehensive (loss)/income attributable to:					
Owners of the parent		(51,142,340)	63,342,314	12,855,821	16,582,457
Non-controlling interests		<u>69,420</u>	<u>185,380</u>	<u>-</u>	<u>-</u>
		<u>(51,072,920)</u>	<u>63,527,694</u>	<u>12,855,821</u>	<u>16,582,457</u>
<b>(Loss)/Earnings per ordinary share attributable to equity holders of the Company (sen):</b>					
Basic	28(a)	<u>(22.53)</u>	<u>26.78</u>		
Diluted	28(b)	<u>(22.33)</u>	<u>26.52</u>		

The accompanying notes form an integral part of the financial statements.

**Statements of Changes in Equity**  
**For the Financial Year Ended 31 March 2025**

<b>Group</b>	<b>Note</b>	<b>Share capital</b> <b>RM</b>	<b>Treasury shares</b> <b>RM</b>	<b>Exchange translation reserve</b> <b>RM</b>	<b>Share options reserve</b> <b>RM</b>	<b>Retained earnings</b> <b>RM</b>	<b>Total attributable to owners of the parent</b> <b>RM</b>	<b>Non-controlling interests</b> <b>RM</b>	<b>Total</b> <b>RM</b>
Balance as at 1 April 2023		202,434,277	(2,131)	18,474,997	1,792,427	525,439,569	748,139,139	542,993	748,682,132
Profit for the financial year		-	-	-	-	52,074,605	52,074,605	119,420	52,194,025
Foreign currency translations		-	-	10,063,804	-	-	10,063,804	65,960	10,129,764
Share of other comprehensive income of equity-accounted associate		-	-	1,203,905	-	-	1,203,905	-	1,203,905
Total comprehensive income		-	-	11,267,709	-	52,074,605	63,342,314	185,380	63,527,694
<b>Transactions with owners</b>									
Dividends paid and payable	29	-	-	-	-	(20,436,934)	(20,436,934)	-	(20,436,934)
Issuance of ordinary shares pursuant to ESOS	16	1,263,415	-	-	(244,792)	-	1,018,623	-	1,018,623
Purchase of treasury shares	17	-	(1,211,510)	-	-	-	(1,211,510)	-	(1,211,510)
Share options vested under ESOS		-	-	-	1,109,853	-	1,109,853	-	1,109,853
Transfer of share options reserve to retained earnings upon forfeited of ESOS		-	-	-	(151,998)	151,998	-	-	-
Total transactions with owners		1,263,415	(1,211,510)	-	713,063	(20,284,936)	(19,519,968)	-	(19,519,968)
Balance as at 31 March 2024		203,697,692	(1,213,641)	29,742,706	2,505,490	557,229,238	791,961,485	728,373	792,689,858

**Statements of Changes in Equity**  
**For the Financial Year Ended 31 March 2025 (continued)**

	Note	Share capital RM	Treasury shares RM	Exchange translation reserve RM	Share options reserve RM	Retained earnings RM	Total attributable to owners of the parent RM	Non-controlling interests RM	Total RM
<b>Group</b>									
Balance as at 1 April 2024		203,697,692	(1,213,641)	29,742,706	2,505,490	557,229,238	791,961,485	728,373	792,689,858
Loss for the financial year		-	-	-	-	(43,297,912)	(43,297,912)	103,729	(43,194,183)
Foreign currency translations		-	-	(6,110,351)	-	-	(6,110,351)	(34,309)	(6,144,660)
Share of other comprehensive loss of equity-accounted associate		-	-	(1,734,077)	-	-	(1,734,077)	-	(1,734,077)
Total comprehensive loss		-	-	(7,844,428)	-	(43,297,912)	(51,142,340)	69,420	(51,072,920)
<b>Transactions with owners</b>									
Dividend paid	29	-	-	-	-	(6,754,736)	(6,754,736)	-	(6,754,736)
Issuance of ordinary shares pursuant to ESOS	16	981,778	-	-	(190,224)	-	791,554	-	791,554
Purchase of treasury shares	17	-	(11,252,750)	-	-	-	(11,252,750)	-	(11,252,750)
Share options vested under ESOS		-	-	-	624,985	-	624,985	-	624,985
Transfer of share options reserve to retained earnings upon forfeited of ESOS		-	-	-	(126,614)	126,614	-	-	-
Total transactions with owners		981,778	(11,252,750)	-	308,147	(6,628,122)	(16,590,947)	-	(16,590,947)
Balance as at 31 March 2025		204,679,470	(12,466,391)	21,898,278	2,813,637	507,303,204	724,228,198	797,793	725,025,991



**Statements of Changes in Equity**  
**For the Financial Year Ended 31 March 2025 (continued)**

	Note	Share capital RM	Treasury shares RM	Share options reserve RM	Retained earnings RM	Total RM
<b>Company</b>						
Balance as at 1 April 2023		202,434,277	(2,131)	1,792,427	81,904,151	286,128,724
Profit for the financial year		-	-	-	16,582,457	16,582,457
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	16,582,457	16,582,457
<b>Transactions with owners</b>						
Dividends paid and payable	29	-	-	-	(20,436,934)	(20,436,934)
Issuance of ordinary shares pursuant to ESOS	16	1,263,415	-	(244,792)	-	1,018,623
Purchase of treasury shares	17	-	(1,211,510)	-	-	(1,211,510)
Share options vested under ESOS		-	-	1,109,853	-	1,109,853
Transfer of share options reserve to retained earnings upon forfeited of ESOS		-	-	(151,998)	151,998	-
Total transactions with owners		1,263,415	(1,211,510)	713,063	(20,284,936)	(19,519,968)
Balance as at 31 March 2024		203,697,692	(1,213,641)	2,505,490	78,201,672	283,191,213

**Statements of Changes in Equity**  
**For the Financial Year Ended 31 March 2025 (continued)**

<b>Company</b>	<b>Note</b>	<b>Share capital RM</b>	<b>Treasury shares RM</b>	<b>Share options reserve RM</b>	<b>Retained earnings RM</b>	<b>Total RM</b>
Balance as at 1 April 2024		203,697,692	(1,213,641)	2,505,490	78,201,672	283,191,213
Profit for the financial year		-	-	-	12,855,821	12,855,821
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	12,855,821	12,855,821
<b>Transactions with owners</b>						
Dividend paid	29	-	-	-	(6,754,736)	(6,754,736)
Issuance of ordinary shares pursuant to ESOS	16	981,778	-	(190,224)	-	791,554
Purchase of treasury shares	17	-	(11,252,750)	-	-	(11,252,750)
Share options vested under ESOS		-	-	624,985	-	624,985
Transfer of share options reserve to retained earnings upon forfeited of ESOS		-	-	(126,614)	126,614	-
Total transactions with owners		981,778	(11,252,750)	308,147	(6,628,122)	(16,590,947)
Balance as at 31 March 2025		204,679,470	(12,466,391)	2,813,637	84,429,371	279,456,087

The accompanying notes form an integral part of the financial statements.

**Statements of Cash Flows**  
**For the Financial Year Ended 31 March 2025**

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
(Loss)/Profit before tax		(30,890,713)	64,727,490	13,008,451	16,903,700
Adjustments for:					
Bad debts (recovered)/ written off		(4,787)	11,653	-	-
Depreciation of:					
- property, plant and equipment	5	9,451,129	9,841,401	308	308
- right-of-use assets	6	1,551,921	1,635,556	-	-
- investment properties	7	178,985	86,151	-	-
Distribution income	22	(538,213)	(5,065)	(31,477)	(541)
Dividend income from:					
- subsidiaries	21	-	-	(12,435,044)	(14,877,912)
- an associate	21	-	-	(523,176)	(697,568)
Fair value gain on other investments	22	(987,744)	(144,666)	(134,032)	(1,204)
Gain on disposal of property, plant and equipment	22	(388,668)	(17,334)	-	-
Impairment losses on:					
- trade receivables	11(g)	5,885	-	-	-
- investment in an associate	10(e)	53,576,454	-	-	-
- goodwill	8	2,185,000	-	-	-
Inventories written back	13(c)	(394,482)	(2,168,514)	-	-
Inventories written down	13(c)	262,640	395,614	-	-
Inventories written off	13(c)	-	467,076	-	-
Property, plant and equipment written off		126,150	26	-	-
Reversal of impairment losses on trade receivables	11(g)	(5,836)	(28,964)	-	-
Unrealised gain on foreign exchange	22	(5,758,874)	(1,787,808)	(196,730)	(119,329)
Interest expense	26	38,759	119,483	-	-
Interest income from:					
- bank balances	22	(11,299,559)	(11,682,407)	(453,188)	(894,917)
- other investments	22	(1,583,136)	(1,932,729)	-	-
Share options vested under share options scheme	23	624,985	1,109,853	222,220	373,503
Share of loss of an associate, net of tax		15,790,763	1,096,354	-	-
Operating profit/(loss) before working capital changes		31,940,659	61,723,170	(542,668)	686,040

**Statements of Cash Flows**  
**For the Financial Year Ended 31 March 2025 (continued)**

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES (continued)</b>					
Operating profit/(loss) before working capital changes (continued)		31,940,659	61,723,170	(542,668)	686,040
Working capital changes:					
Inventories		5,809,189	12,754,336	-	-
Trade and other receivables		(5,344,492)	11,508,619	6,555,356	(5,287,271)
Trade and other payables		(2,654,627)	(2,987,743)	(238,893)	119,688
Cash generated from/(used in) operations		29,750,729	82,998,382	5,773,795	(4,481,543)
Tax paid		(11,279,837)	(11,001,466)	(259,591)	(288,578)
Tax refunded		9,036	1,922	-	-
Net cash from/(used in) operating activities		18,479,928	71,998,838	5,514,204	(4,770,121)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Dividends received from:					
- subsidiaries		-	-	7,639,034	14,877,912
- an associate		2,167,959	2,890,612	523,176	697,568
Interest received		12,882,695	13,615,136	453,188	894,917
Net changes in deposits with licensed banks with maturity of more than three (3) months		(115,151,989)	21,206,000	5,084,003	9,500,000
Net (purchase)/redemption of other investments		(44,055,001)	(3,794,923)	75,000	(1,763,016)
Proceeds from disposal of property, plant and equipment		389,697	18,421	-	-
Purchase of property, plant and equipment	5	(3,597,480)	(6,781,860)	-	-
Subscription of ordinary shares in a subsidiary	9(c)	-	-	(950,000)	-
Net cash (used in)/from investing activities		(147,364,119)	27,153,386	12,824,401	24,207,381

**Statements of Cash Flows**  
**For the Financial Year Ended 31 March 2025 (continued)**

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Dividends paid		(13,571,380)	(13,620,290)	(13,571,380)	(13,620,290)
Payment of lease liabilities	6	(1,501,066)	(1,951,681)	-	-
Proceeds from issuance of ordinary shares pursuant to ESOS	16(a)	791,554	1,018,623	791,554	1,018,623
Purchase of treasury shares	17	(11,252,750)	(1,211,510)	(11,252,750)	(1,211,510)
Net cash used in financing activities		(25,533,642)	(15,764,858)	(24,032,576)	(13,813,177)
Net (decrease)/increase in cash and cash equivalents		(154,417,833)	83,387,366	(5,693,971)	5,624,083
Effects of exchange rate changes		2,019,178	6,715,100	196,730	119,329
Cash and cash equivalents at beginning of financial year		253,114,069	163,011,603	10,564,761	4,821,349
Cash and cash equivalents at end of financial year	15(c)	100,715,414	253,114,069	5,067,520	10,564,761



**Statements of Cash Flows**  
**For the Financial Year Ended 31 March 2025 (continued)**

**RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

<b>Group</b>	<b>Lease liabilities (Note 6) RM</b>
Balance as at 1 April 2024	1,531,658
Cash flows	(1,501,066)
Non-cash flows:	
- exchange differences	(68,581)
- unwinding of interest	38,759
Balance as at 31 March 2025	<u>770</u>
Balance as at 1 April 2023	3,114,474
Cash flows	(1,951,681)
Non-cash flows:	
- exchange differences	249,382
- unwinding interest	119,483
Balance as at 31 March 2024	<u>1,531,658</u>

The accompanying notes form an integral part of the financial statements.

# Notes to the Financial Statements

## 31 March 2025

### 1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Suite 18.05, MWE Plaza, No. 8, Lebuhr Farquhar, 10200 George Town, Penang.

The principal place of business of the Company is located at Plot 16, Kawasan Perindustrian Bayan Lepas, Phase IV, Mukim 12, 11900 Bayan Lepas, Penang.

The consolidated financial statements for the financial year ended 31 March 2025 comprise the Company and its subsidiaries and the interests of the Group in an associate. These financial statements are presented in Ringgit Malaysia ('RM'), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 29 July 2025.

### 2. PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding, commission agent and provider of management services. The principal activities of the subsidiaries are mainly involved in manufacturing and trading of stationery products, paper and plastic based related products and consumer and food wares products. Further details of the subsidiaries are disclosed in Note 9 to the financial statements.

There have been no significant changes in the nature of the activities of the Company and its subsidiaries during the financial year.

### 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ('MFRSs'), IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 33.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

#### 4. OPERATING SEGMENTS

The reportable segments of the Group are as follows:

- Performance is measured based on the revenue derived from the products sold and operating profit of the business segments as included in the internal management reports that are reviewed at least on a quarterly basis by the CEO, who is the chief operating decision maker of the Group. Segment assets and segment liabilities information is neither included in the internal management reports nor provided to the Board of Directors. Hence, no disclosure is made on segment assets and segment liabilities.

(a) Reportable segments

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## Notes to the Financial Statements 31 March 2025 (continued)

### 4. OPERATING SEGMENTS (continued)

#### (a) Reportable segments (continued)

Group	Filing products RM	Industrial, consumer and food ware products RM	Total RM
<b>2024</b>			
<b>Segment profits</b>	44,135,069	7,714,960	51,850,029
<i>Included in the measure of segment profits are:</i>			
Revenue from external customers	247,179,961	46,974,788	294,154,749
Depreciation of:			
- property, plant and equipment	6,739,600	3,101,801	9,841,401
- right-of-use assets	1,531,090	104,466	1,635,556
- investment properties	48,226	37,925	86,151

#### (b) Reconciliations

Reconciliations of reportable segment revenue and profit or loss to the corresponding amounts of the Group are as follows:

Group	2025 RM	2024 RM
<b>Revenue</b>		
Total revenue for reportable segments	275,050,295	294,154,749
Revenue for non-reportable segment	80,181	80,328
Revenue of the Group per consolidated statement of profit or loss and other comprehensive income	275,130,476	294,235,077
<b>Profit for the financial year</b>		
Total profit for reportable segments	26,686,213	51,850,029
(Loss)/Profit for non-reportable segment	(394,602)	328,431
Finance cost	(38,759)	(119,483)
Investing results*	14,408,652	13,764,867
Share of loss of an associate, net of tax	(15,790,763)	(1,096,354)
Impairment loss on goodwill	(2,185,000)	-
Impairment loss on investment in an associate	(53,576,454)	-
Tax expense	(12,303,470)	(12,533,465)
(Loss)/Profit for the financial year	(43,194,183)	52,194,025

\* Comprise of distribution income from short-term funds, fair value gain on other investments and interest income from financial institutions.

## Notes to the Financial Statements 31 March 2025 (continued)

### 4. OPERATING SEGMENTS (continued)

#### (c) Geographical information

The manufacturing facilities of the Group are based in Malaysia and Europe.

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets of the Group. The non-current assets do not include investment in an associate.

Group	Revenue		Non-current assets	
	2025 RM	2024 RM	2025 RM	2024 RM
Malaysia	75,795,961	73,962,815	75,913,215	79,917,176
Asia (excluding Malaysia)	6,636,877	5,289,268	-	-
Europe	183,944,382	204,164,417	61,036,969	68,414,382
America	1,423,786	1,938,899	-	-
Others	7,329,470	8,879,678	-	-
	<u>275,130,476</u>	<u>294,235,077</u>	<u>136,950,184</u>	<u>148,331,558</u>

#### (d) Major customers

A major customer of the Group, with revenue equal or more than ten percent (10%) of the revenue of the Group, contributes approximately RM51,345,413 (2024: RM49,546,915) of the revenue of the Group.

**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**5. PROPERTY, PLANT AND EQUIPMENT**

Group	Freehold land RM	Buildings RM	Plant and machinery RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Total RM
<b>At cost</b>						
Balance as at 1 April 2024	13,860,429	102,715,475	212,597,209	23,357,154	11,855,981	364,386,248
Additions	-	90,772	2,738,861	193,807	574,040	3,597,480
Disposals	-	-	(425,583)	(8,530)	(89,133)	(523,246)
Written off	-	(126,356)	(32,512)	(256,533)	-	(415,401)
Exchange differences	(279,122)	(2,599,631)	(5,757,485)	(998,528)	(251,570)	(9,886,336)
Balance as at 31 March 2025	13,581,307	100,080,260	209,120,490	22,287,370	12,089,318	357,158,745
<b>Accumulated depreciation</b>						
Balance as at 1 April 2024	-	53,600,875	175,640,909	21,527,727	9,544,246	260,313,757
Charge for the financial year	-	2,263,062	6,076,017	278,816	833,234	9,451,129
Disposals	-	-	(425,122)	(7,966)	(89,129)	(522,217)
Written off	-	(6,318)	(26,438)	(256,495)	-	(289,251)
Exchange differences	-	(1,991,647)	(5,301,895)	(961,424)	(218,969)	(8,473,935)
Balance as at 31 March 2025	-	53,865,972	175,963,471	20,580,658	10,069,382	260,479,483
<b>Carrying amount</b>						
Balance as at 31 March 2025	13,581,307	46,214,288	33,157,019	1,706,712	2,019,936	96,679,262



**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**5. PROPERTY, PLANT AND EQUIPMENT (continued)**

Group	Freehold land RM	Buildings RM	Plant and machinery RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Total RM
<b>At cost</b>						
Balance as at 1 April 2023	17,438,509	103,863,570	202,372,631	22,064,671	10,652,574	356,391,955
Additions	-	329,997	5,035,595	345,068	1,071,200	6,781,860
Disposals	-	-	(1,693,474)	(59,288)	(158,150)	(1,910,912)
Written off	-	-	-	(43,018)	-	(43,018)
Transfer from right-of-use assets (Note 6)	-	-	630,666	-	-	630,666
Transfer to investment properties (Note 7)	(3,868,046)	(4,641,502)	-	-	-	(8,509,548)
Exchange differences	289,966	3,163,410	6,251,791	1,049,721	290,357	11,045,245
Balance as at 31 March 2024	13,860,429	102,715,475	212,597,209	23,357,154	11,855,981	364,386,248
<b>Accumulated depreciation</b>						
Balance as at 1 April 2023	-	51,654,428	165,480,795	20,285,111	8,619,450	246,039,784
Charge for the financial year	-	2,462,753	6,221,369	341,001	816,278	9,841,401
Disposals	-	-	(1,693,474)	(58,201)	(158,150)	(1,909,825)
Written off	-	-	-	(42,992)	-	(42,992)
Transfer from right-of-use assets (Note 6)	-	-	154,000	-	-	154,000
Transfer to investment properties (Note 7)	-	(2,722,866)	-	-	-	(2,722,866)
Exchange differences	-	2,206,560	5,478,219	1,002,808	266,668	8,954,255
Balance as at 31 March 2024	-	53,600,875	175,640,909	21,527,727	9,544,246	260,313,757
<b>Carrying amount</b>						
Balance as at 31 March 2024	13,860,429	49,114,600	36,956,300	1,829,427	2,311,735	104,072,491

# Notes to the Financial Statements

## 31 March 2025 (continued)

### 5. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	2025 RM	2024 RM
<b>Office equipment, furniture and fittings</b>		
<b>At cost</b>		
Balance as at 1 April 2024/2023 and 31 March	<u>2,615</u>	<u>2,615</u>
<b>Accumulated depreciation</b>		
Balance as at 1 April 2024/2023	1,128	820
Charge for the financial year	<u>308</u>	<u>308</u>
Balance as at 31 March	<u>1,436</u>	<u>1,128</u>
<b>Carrying amount</b>		
Balance as at 31 March	<u><u>1,179</u></u>	<u><u>1,487</u></u>

- (a) All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.
- (b) Freehold land has unlimited useful life and is not depreciated. Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal depreciation annual rates are as follows:

Buildings	2% - 10%
Plant and machinery	5% - 33%
Office equipment, furniture and fittings	8% - 33%
Motor vehicles	20% - 25%

**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

**Right-of-use assets**

Group	Balance as at 1 April 2024 RM	Charge for the financial year RM	Exchange differences RM	Balance as at 31 March 2025 RM	
Carrying amount					
Leasehold lands	2,857,576	(92,448)	-	2,765,128	
Building	1,653,815	(1,459,473)	(72,238)	122,104	
	4,511,391	(1,551,921)	(72,238)	2,887,232	
Group	Balance as at 1 April 2023 RM	Charge for the financial year RM	Transfer to property, plant and equipment (Note 5) RM	Exchange differences RM	Balance as at 31 March 2024 RM
Carrying amount					
Leasehold lands	2,950,024	(92,448)	-	-	2,857,576
Building	2,908,718	(1,499,108)	-	244,205	1,653,815
Plant and machinery	520,666	(44,000)	(476,666)	-	-
	6,379,408	(1,635,556)	(476,666)	244,205	4,511,391

**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)**

<b>Lease liabilities</b>					
<b>Group</b>	<b>Balance as at 1 April 2024 RM</b>	<b>Lease payments RM</b>	<b>Interest expense RM</b>	<b>Exchange differences RM</b>	<b>Balance as at 31 March 2025 RM</b>
<b>Carrying amount</b>					
Building	1,531,658	(1,501,066)	38,759	(68,581)	770
<b>Group</b>					
<b>Carrying amount</b>					
Building	3,007,510	(1,818,125)	92,891	249,382	1,531,658
Plant and machinery	106,964	(133,556)	26,592	-	-
	3,114,474	(1,951,681)	119,483	249,382	1,531,658

## Notes to the Financial Statements 31 March 2025 (continued)

### 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

#### Lease liabilities (continued)

	Group	
	2025 RM	2024 RM
Represented by:		
Current liabilities	770	1,348,246
Non-current liabilities	-	183,412
	770	1,531,658
Lease liabilities owing to non-financial institutions	770	1,531,658

- (a) Right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the lease.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liabilities.

- (b) Right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease terms. The remaining lease terms of right-of-use assets are as follows:

Leasehold lands	26 - 30 years (2024: 27 - 31 years)
Building	1 month (2024: 1 year and 1 month)

- (c) The Group has certain leases of assets with lease term of twelve (12) months or less. The Group applies the 'short-term lease' exemption for these leases.
- (d) The Group leases a lease contract that includes extension and termination option. This is used to maximise operational flexibility in terms of managing the asset used in the operations of the Group.

There is no potential future rental payments that are not included in the lease terms.

**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)**

(e) The following are the amounts recognised in profit or loss:

	<b>Group</b>
	<b>2025      2024</b>
	<b>RM           RM</b>
Depreciation charge of right-of-use assets (included in cost of sales)	-           44,000
Depreciation charge of right-of-use assets (included in administrative expenses)	1,551,921      1,591,556
Interest expense on lease liabilities (included in finance cost)	38,759          119,483
Expenses relating to short-term leases (included in cost of sales)	297,746          266,947
Expenses relating to short-term leases (included in administrative expenses)	67,573          83,057
	<u>1,955,999      2,105,043</u>

(f) The following are total cash outflows for leases as a lessee:

	<b>Group</b>
	<b>2025      2024</b>
	<b>RM           RM</b>
Included in net cash from operating activities:	
Payment relating to short-term leases	365,319          350,004
Included in net cash used in financing activities:	
Payment of lease liabilities	1,501,066      1,951,681
Total cash outflows for leases	<u>1,866,385      2,301,685</u>

(g) Information on financial risks of lease liabilities is disclosed in Note 32 to the financial statements.



## Notes to the Financial Statements 31 March 2025 (continued)

### 7. INVESTMENT PROPERTIES

Group	Freehold land RM	Leasehold lands RM	Buildings RM	Total RM
<b>Carrying amount</b>				
Balance as at 1 April 2024	4,471,810	213,700	4,827,692	9,513,202
Depreciation charge for the financial year	-	(6,894)	(172,091)	(178,985)
Balance as at 31 March 2025	<u>4,471,810</u>	<u>206,806</u>	<u>4,655,601</u>	<u>9,334,217</u>
<b>As at 31 March 2025</b>				
Cost	4,471,810	379,155	8,604,321	13,455,286
Accumulated depreciation	-	(172,349)	(3,948,720)	(4,121,069)
Carrying amount	<u>4,471,810</u>	<u>206,806</u>	<u>4,655,601</u>	<u>9,334,217</u>
<b>Carrying amount</b>				
Balance as at 1 April 2023	603,764	220,594	2,988,313	3,812,671
Transfer from property, plant and equipment (Note 5)	3,868,046	-	1,918,636	5,786,682
Depreciation charge for the financial year	-	(6,894)	(79,257)	(86,151)
Balance as at 31 March 2024	<u>4,471,810</u>	<u>213,700</u>	<u>4,827,692</u>	<u>9,513,202</u>
<b>As at 31 March 2024</b>				
Cost	4,471,810	379,155	8,604,321	13,455,286
Accumulated depreciation	-	(165,455)	(3,776,629)	(3,942,084)
Carrying amount	<u>4,471,810</u>	<u>213,700</u>	<u>4,827,692</u>	<u>9,513,202</u>

- (a) Leasehold lands represent right-of-use assets arising from lease arrangements that meet the definition of investment properties.
- (b) Investment properties are properties which are held to earn rental yields or for capital appreciation or for both and are not occupied by the Group.

Investment properties are initially measured at cost, which includes transaction costs. After initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has unlimited useful life and is not depreciated. Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal depreciation period and annual rate are as follows:

Leasehold lands	30 years (2024: 31 years)
Buildings	2%

## Notes to the Financial Statements 31 March 2025 (continued)

### 7. INVESTMENT PROPERTIES (continued)

(b) (continued)

At the end of each reporting period, the carrying amount of investment properties is assessed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

(c) The fair value of investment properties for disclosure purposes, which are at Level 3 of the fair value hierarchy, is as follows:

	<b>2025</b> <b>RM</b>	<b>2024</b> <b>RM</b>
Fair value	<u>33,600,000</u>	<u>32,800,000</u>

The fair value which amounted to RM33,600,000 (2024: RM32,800,000) was determined based on Directors' estimation using the market comparison method by reference to market evidence of transaction prices of similar properties and recent experience in the location and category of the properties being valued. The unobservable input into this valuation method is price per square foot of comparable properties. The estimated fair value would increase if the historical sales transaction prices were higher and vice versa.

There is no transfer between levels in the fair value hierarchy during the financial year.

- (d) Rental income generated from rental of investment properties of the Group during the financial year amounted to RM1,079,728 (2024: RM492,407).
- (e) Direct operating expenses from investment properties generating rental income during the financial year amounted to RM63,231 (2024: RM63,208).
- (f) The Group has entered into non-cancellable operating lease agreements on certain properties for terms of up to three (3) years and renewable at the end of the lease period subject to an increase clause. The monthly rental consists of a fixed base rent.
- (g) The Group has aggregate future minimum lease receivable as at the end of each reporting period as follows:

	<b>Group</b>	
	<b>2025</b> <b>RM</b>	<b>2024</b> <b>RM</b>
Less than one (1) year	1,116,288	984,288
One (1) to two (2) years	914,784	1,116,288
Two (2) to three (3) years	180,000	914,784
Three (3) to four (4) years	-	180,000
	<u>2,211,072</u>	<u>3,195,360</u>

## Notes to the Financial Statements 31 March 2025 (continued)

### 8. INTANGIBLE ASSETS

Group	Goodwill RM	Customer contracts RM	Total RM
<b>At cost</b>			
Balance as at 1 April 2024	30,234,456	2,940,186	33,174,642
Exchange differences	-	(190,215)	(190,215)
Balance as at 31 March 2025	<u>30,234,456</u>	<u>2,749,971</u>	<u>32,984,427</u>
<b>Accumulated amortisation</b>			
Balance as at 1 April 2024	-	2,940,168	2,940,168
Exchange differences	-	(190,215)	(190,215)
Balance as at 31 March 2025	<u>-</u>	<u>2,749,953</u>	<u>2,749,953</u>
<b>Accumulated impairment loss</b>			
Balance as at 1 April 2024	-	-	-
Addition	2,185,000	-	2,185,000
Balance as at 31 March 2025	<u>2,185,000</u>	<u>-</u>	<u>2,185,000</u>
<b>Carrying amount</b>			
Balance as at 31 March 2025	<u>28,049,456</u>	<u>18</u>	<u>28,049,474</u>
<b>At cost</b>			
Balance as at 1 April 2023	30,234,456	2,767,248	33,001,704
Exchange differences	-	172,938	172,938
Balance as at 31 March 2024	<u>30,234,456</u>	<u>2,940,186</u>	<u>33,174,642</u>
<b>Accumulated amortisation</b>			
Balance as at 1 April 2023	-	2,767,230	2,767,230
Exchange differences	-	172,938	172,938
Balance as at 31 March 2024	<u>-</u>	<u>2,940,168</u>	<u>2,940,168</u>
<b>Carrying amount</b>			
Balance as at 31 March 2024	<u>30,234,456</u>	<u>18</u>	<u>30,234,474</u>

- (a) Intangible assets are initially measured at cost. After initial recognition, intangible assets, excluding goodwill are carried at cost less accumulated amortisation and any accumulated impairment losses.

Customer contracts are amortised over the estimated useful life of seven (7) years.

Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

- (b) Goodwill has been fully allocated to the Group's cash-generating units ('CGU') identified in the operations of a foreign subsidiary in Germany acquired in the past, which is involved in the manufacturing and trading of stationery products. Goodwill is allocated from the acquisition date to the Group's CGU that are expected to benefit from the synergies of the acquisition.

## Notes to the Financial Statements 31 March 2025 (continued)

### 8. INTANGIBLE ASSETS (continued)

- (c) Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount of the CGU based on its value-in-use. The value-in-use calculations apply a discounted cash flow model using cash flow projections from the financial budgets and forecasts based on the following key assumptions:
- (i) Cash flows are projected based on the management's approved five (5) years financial budgets and forecasts. Cash flows beyond the five (5)-year period are extrapolated assuming zero growth rate.
  - (ii) The pre-tax discount rate used for cash flows discounting purpose is estimated based on an industry average cost of capital. The discount rate applied for cash flow projections is 6.7% (2024: 8.0%).
  - (iii) The anticipated annual revenue growth rates are determined based on the industry trends and past performance of the CGU.

Based on the annual impairment testing undertaken by the Group, an impairment loss of RM2,185,000 (2024: RMNil) is recognised for the carrying amount of the goodwill assessed as at 31 March 2025 as the carrying amount of CGU is in excess of its recoverable amount. The impairment loss is fully allocated to goodwill, and is recorded in the statements of profit or loss and other comprehensive income of the Group. Management is not aware of any reasonable possible changes in the key assumptions that would cause the carrying amount of the CGU to materially excess its recoverable amount.

### 9. INVESTMENTS IN SUBSIDIARIES

	<b>Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Unquoted equity shares, at cost	221,615,361	220,665,361
Share-based payments allocated to subsidiaries	6,489,669	6,086,904
	228,105,030	226,752,265

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

All components of non-controlling interests shall be initially measured at fair value on the acquisition date, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

## Notes to the Financial Statements

### 31 March 2025 (continued)

#### 9. INVESTMENTS IN SUBSIDIARIES (continued)

(b) Details of the subsidiaries are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
		2025	2024	
ABBA Marketing Sdn. Bhd. ^	Malaysia	100%	100%	Trading of stationery products, consumer and food wares, graphic designing and desktop publishing
ABBA Industrial Sdn. Bhd. (formerly known as Sin Chuan Marketing Sdn. Bhd.) ^	Malaysia	100%	100%	Dormant
AFP Composite Sdn. Bhd. ^	Malaysia	100%	100%	Manufacture and supply of plastic related products and filing products
Asia File Products Sdn. Bhd. ^	Malaysia	100%	100%	Manufacture and sale of stationery products, consumer and food wares and other paper and plastic based products
Formosa Technology Sdn. Bhd. ^	Malaysia	100%	100%	Manufacturing and trading of recyclable food wares and plastic related products
Higher Kings Mill Limited *	United Kingdom	100%	100%	Manufacture and sale of coloured paper and boards for filing, educational and other specialty markets
Lim & Khoo Sdn. Bhd. ^	Malaysia	100%	100%	Investment holding
Premier Stationery Limited *	United Kingdom	95%	95%	Import, assembly and distribution of stationery products
Premier Stationery Pte. Ltd. #	Singapore	100%	100%	Trading of stationery products
Supportive Technology Sdn. Bhd. #	Malaysia	100%	100%	Manufacturing and selling of consumer plastic ware products

## Notes to the Financial Statements 31 March 2025 (continued)

### 9. INVESTMENTS IN SUBSIDIARIES (continued)

(b) Details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activities
	2025	2024		
Subsidiaries of Asia				
File Products				
Sdn. Bhd.				
Plastoreg Smidt GmbH *	Germany	100%	100%	Manufacture and distribution of stationery products
Plastoreg Eastlight Limited *	United Kingdom	100%	100%	Manufacture and distribution of stationery products and consumer wares

^ Subsidiaries audited by BDO PLT, Malaysia

\* Subsidiaries audited by BDO member firms

# Subsidiaries not audited by BDO PLT or BDO member firms

(c) During the financial year, the Company subscribed for an additional 950,000 ordinary shares at a subscription price of RM1.00 each in Formosa Technology Sdn. Bhd. for a total cash consideration of RM950,000. Pursuant to that, the equity interest of the Company remained at 100%.

(d) Incorporation of a subsidiary, Plastoreg Eastlight Limited ('PEL')

On 2 May 2023, a wholly-owned subsidiary of the Company, Asia File Products Sdn. Bhd. ('AFP') incorporated a wholly-owned subsidiary, PEL in United Kingdom with an issued and paid-up share capital of GBP100 (equivalent to RM573).

On 1 September 2023, PEL had issued an additional 499,900 new ordinary shares of GBP1 each and 2,700,000 preference shares of GBP1 each for which AFP had fully subscribed for a total consideration of GBP499,900 (equivalent to RM2,864,427) and GBP2,700,000 (equivalent to RM15,471,000) respectively. Pursuant to that, the effective interest in equity interest in PEL remained at 100%.

(e) The Group does not have any subsidiary that has non-controlling interests which is individually material to the Group for both financial years ended 31 March 2025 and 31 March 2024.



## Notes to the Financial Statements 31 March 2025 (continued)

### 10. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Quoted equity shares, at cost	77,532,835	77,532,835	35,683,093	35,683,093
Share of post-acquisition reserves, net of dividends received	117,838,457	137,531,257	-	-
Less: Impairment loss	(53,576,454)	-	-	-
	<u>141,794,838</u>	<u>215,064,092</u>	<u>35,683,093</u>	<u>35,683,093</u>

- (a) Investment in an associate is measured at cost less impairment losses, in the separate financial statements of the Company and accounted for using the equity method in the consolidated financial statements.
- (b) The associate has a financial year end of 31 December, which is not conterminous with the Group. The unaudited financial statements of the associate for financial period ended 31 March 2025 have been used in applying the equity method of accounting. The use of the unaudited financial statements is not expected to have any significant effects on the consolidated financial statements of the Group.
- (c) Details of the associate are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity		Principal activity
		2025	2024	
Muda Holdings Berhad*	Malaysia	23.69%	23.69%	Investment holding

\* Not audited by BDO PLT or BDO member firms

- (d) The fair value of the investment in an associate of the Group and of the Company for disclosure purposes, which is at Level 1 of the fair value hierarchy, is RM75,878,565 (2024: RM102,616,726) and RM18,311,160 (2024: RM24,763,664) respectively.
- (e) As at 31 March 2025, the market value of the Group's investment in Muda Holdings Berhad which is based on the quoted shares price is below the carrying amount of the investment in an associate. As this is a potential impairment indicator, the management has performed further impairment assessment on the carrying amount of the investment in an associate.

For the purpose of impairment assessment, the recoverable amount of the investment in an associate is determined based on the value-in-use calculation. The value-in-use is determined by using cash flow projections from dividends derived from the Dividend Discount Model. The key assumptions applied include the future dividend growth rate as well as appropriate pre-tax discount rate based on the investment profile in the cash flows projections. The pre-tax discount rate applied is 6.5%.

## Notes to the Financial Statements 31 March 2025 (continued)

### 10. INVESTMENT IN AN ASSOCIATE (continued)

(e) (continued)

During the financial year, an impairment loss of RM53,576,454 is recognised for the carrying amount of the investment in an associate as at 31 March 2025 as the carrying amount of the investment in an associate is in excess of its recoverable amount.

(f) The following table summarises the information of the Group's material associate, adjusted for any differences in accounting policies and reconciled the information to the carrying amount of the Group's interest in the associate.

	2025 RM'000	2024 RM'000
<b>Muda Holdings Berhad</b>		
<b>Summarised financial information as at 31 March:</b>		
Non-current assets	1,174,272	1,170,418
Current assets	712,859	787,203
Non-current liabilities	(226,267)	(249,029)
Current liabilities	(774,227)	(737,389)
Non-controlling interests	(43,759)	(45,196)
<b>Net assets</b>	<u>842,878</u>	<u>926,007</u>
<b>Financial period ended 31 March:</b>		
Loss from continuing operations	(66,657)	(4,628)
Other comprehensive (loss)/income	(7,320)	5,082
Total comprehensive (loss)/income	<u>(73,977)</u>	<u>454</u>
<b>Included in the total comprehensive (loss)/income:</b>		
Revenue	<u>1,445,423</u>	<u>1,486,333</u>
<b>Reconciliation of net assets to carrying amount as at 31 March:</b>		
Share of net assets of the associate	199,678	219,371
Effects arising from changes in shareholdings	(4,307)	(4,307)
Less: Impairment loss	(53,576)	-
Carrying amount in the consolidated statement of the financial position	<u>141,795</u>	<u>215,064</u>
<b>Group's share of results for the financial period ended 31 March:</b>		
Group's share of loss from continuing operations	(15,791)	(1,096)
Group's share of other comprehensive (loss)/income	(1,734)	1,204
Group's share of total comprehensive (loss)/income	<u>(17,525)</u>	<u>108</u>
<b>Other information:</b>		
Dividends received by the Group	<u>2,168</u>	<u>2,891</u>

There is no share of associate's contingent liabilities incurred jointly with other investors.

**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**11. TRADE AND OTHER RECEIVABLES**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Trade receivables</b>				
Third parties	48,679,190	47,698,001	-	-
Amounts owing by related parties	510,990	686,895	-	-
	49,190,180	48,384,896	-	-
Less: Impairment losses				
- third parties	(976,835)	(2,634,214)	-	-
<b>Total trade receivables</b>	<b>48,213,345</b>	<b>45,750,682</b>	<b>-</b>	<b>-</b>
<b>Other receivables</b>				
Third parties	7,244,208	4,875,028	85,966	168,757
Amounts owing by subsidiaries	-	-	6,050,339	7,726,894
Deposits	458,103	246,252	-	-
	7,702,311	5,121,280	6,136,305	7,895,651
<b>Total receivables</b>	<b>55,915,656</b>	<b>50,871,962</b>	<b>6,136,305</b>	<b>7,895,651</b>
Prepayments	962,603	1,104,686	-	-
	<b>56,878,259</b>	<b>51,976,648</b>	<b>6,136,305</b>	<b>7,895,651</b>

- (a) Total receivables are classified as financial assets measured at amortised cost.
- (b) Trade receivables of the Group are non-interest bearing and the normal trade terms granted by the Group comprise cash term and credit terms of up to 120 days (2024: cash term and credit terms of up to 120 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- (c) Amounts owing by related parties are unsecured, interest-free and the credit term granted by the Group on sale of goods is 90 days (2024: 90 days). The related parties are companies in which a Director and his close family members collectively have controlling interests.
- (d) Amounts owing by subsidiaries are unsecured, interest-free and repayable within next twelve (12) months in cash and cash equivalents. Included in the amounts owing by subsidiaries is dividend receivable from a subsidiary amounted to RM4,796,010 (2024: RMNil) as at the end of the reporting period.
- (e) The currency exposure profile of total receivables are disclosed in Note 32(b)(iv) to the financial statements.

## Notes to the Financial Statements 31 March 2025 (continued)

### 11. TRADE AND OTHER RECEIVABLES (continued)

- (f) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve (12) months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group uses an allowance matrix with reference to historical credit loss experience to measure the expected credit loss of trade receivables from their ageing. Trade receivables have been grouped based on the common credit risk characteristics - industry and days past due.

The Group believes that the financial impacts to the forward-looking information are inconsequential for the purpose of impairment calculation of trade receivables due to their relatively short-term nature.

For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

Individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full.

It requires management to exercise judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

Lifetime expected loss provision for trade receivables of the Group are as follows:

<b>Group</b>	<b>Gross carrying amount RM</b>	<b>Impairment losses RM</b>	<b>Net carrying amount RM</b>
<b>2025</b>			
<b>Collective assessment</b>			
Current	39,742,464	(2,472)	39,739,992
Past due			
- 1 to 30 days	5,464,880	(1,934)	5,462,946
- 31 to 60 days	1,284,812	-	1,284,812
- 61 to 90 days	697,646	-	697,646
<b>Individual assessment</b>	2,000,378	(972,429)	1,027,949
	<u>49,190,180</u>	<u>(976,835)</u>	<u>48,213,345</u>

**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**11. TRADE AND OTHER RECEIVABLES (continued)**

(f) (continued)

Lifetime expected loss provision for trade receivables of the Group are as follows: (continued)

<b>Group</b>	<b>Gross carrying amount RM</b>	<b>Impairment losses RM</b>	<b>Net carrying amount RM</b>
<b>2024</b>			
<b>Collective assessment</b>			
Current	27,217,030	(4,293)	27,212,737
Past due			
- 1 to 30 days	11,303,625	(1,015)	11,302,610
- 31 to 60 days	5,660,580	-	5,660,580
- 61 to 90 days	628,022	-	628,022
<b>Individual assessment</b>	3,575,639	(2,628,906)	946,733
	<u>48,384,896</u>	<u>(2,634,214)</u>	<u>45,750,682</u>

Trade receivables are not secured by any collateral or credit enhancement.

During the financial year, the Group did not renegotiate the terms of any trade receivables.

(g) Movements in the impairment losses for trade receivables of the Group are as follows:

<b>Group</b>	<b>Lifetime expected credit loss allowance RM</b>	<b>Credit impaired RM</b>	<b>Total RM</b>
Balance as at 1 April 2024	5,308	2,628,906	2,634,214
Charge for the financial year	-	5,885	5,885
Reversal of impairment losses	(902)	(4,934)	(5,836)
Written off	-	(1,504,028)	(1,504,028)
Exchange differences	-	(153,400)	(153,400)
Balance as at 31 March 2025	<u>4,406</u>	<u>972,429</u>	<u>976,835</u>
Balance as at 1 April 2023	24,735	2,420,904	2,445,639
Reversal of impairment losses	(21,420)	(7,544)	(28,964)
Exchange differences	1,993	215,546	217,539
Balance as at 31 March 2024	<u>5,308</u>	<u>2,628,906</u>	<u>2,634,214</u>

Credit impaired refers to individually determined debtors who have defaulted on payments and are in significant financial difficulties as at the end of the reporting period. The Group considers trade receivables with invoices which are past due for more than ninety (90) days for credit impairment.

## Notes to the Financial Statements 31 March 2025 (continued)

### 11. TRADE AND OTHER RECEIVABLES (continued)

- (h) Impairment for other receivables and amounts owing by subsidiaries are recognised based on the general approach of MFRS 9. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset by comparing the risk of default occurring over the expected life with the risk of default since initial recognition.

For balances in which the credit risk has not increased significantly since initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For balances in which credit risk had increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group defined significant increase in credit risk based on changes to contractual terms and delay in payment from other receivables and when the subsidiaries' financial positions deteriorate significantly.

Evidences that other receivables and amounts owing by subsidiaries are credit impaired include the following observable data:

- (i) Significant financial difficulties of counterparties;
- (ii) The subsidiary is unlikely to repay its credit obligations to the bank in full; or
- (iii) The subsidiary is continuously loss making and is having deficit shareholders' funds.

The Group believes that the financial impacts to the forward-looking information are inconsequential for the purpose of impairment calculation of other receivables and amounts owing by subsidiaries due to their relatively short-term nature.

It requires management to exercise judgement in determining the probability of default by other receivables and the subsidiaries, appropriate forward-looking information and significant increase in credit risk.

No expected credit losses were recognised arising from other receivables and amounts owing by subsidiaries as they were negligible.

- (i) Information on financial risks of trade and other receivables is disclosed in Note 32 to the financial statements.

### 12. DEFERRED TAX LIABILITIES

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Deferred tax liabilities	<u>(15,638,100)</u>	<u>(15,977,949)</u>



**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**12. DEFERRED TAX (continued)**

(a) Recognised deferred tax assets/(liabilities)

Deferred tax assets/(liabilities) are attributable to the following:

Group	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
	RM	RM	RM	RM	RM	RM
Property, plant and equipment	-	-	(15,744,512)	(16,070,584)	(15,744,512)	(16,070,584)
Right-of-use assets	-	-	(29,305)	(396,916)	(29,305)	(396,916)
Lease liabilities	-	367,598	-	-	-	367,598
Others	135,717	121,953	-	-	135,717	121,953
Deferred tax assets/(liabilities)	135,717	489,551	(15,773,817)	(16,467,500)	(15,638,100)	(15,977,949)
Set off of tax	(135,717)	(489,551)	135,717	489,551	-	-
<b>Net deferred tax liabilities</b>	<b>-</b>	<b>-</b>	<b>(15,638,100)</b>	<b>(15,977,949)</b>	<b>(15,638,100)</b>	<b>(15,977,949)</b>

Deferred tax assets and liabilities are offset when the entity has a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same authority.

(b) Movement in temporary differences during the financial year

Group	Balance as at 1 April 2023		Recognised in profit or loss (Note 27)		Exchange differences		Balance as at 31 March 2024		Recognised in profit or loss (Note 27)		Exchange differences		Balance as at 31 March 2025	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Property, plant and equipment	(15,228,425)	(15,228,425)	(344,189)	(497,970)	(497,970)	(16,070,584)	(16,070,584)	(118,480)	(118,480)	444,552	444,552	(15,744,512)	(15,744,512)	(15,744,512)
Right-of-use assets	(698,092)	(698,092)	359,785	(58,609)	(58,609)	(396,916)	(396,916)	350,274	350,274	17,337	17,337	(29,305)	(29,305)	(29,305)
Lease liabilities	721,802	721,802	(414,056)	59,852	59,852	367,598	367,598	(351,139)	(351,139)	(16,459)	(16,459)	-	-	-
Others	(485,723)	(485,723)	607,676	-	-	121,953	121,953	13,764	13,764	-	-	135,717	135,717	135,717
	(15,690,438)	(15,690,438)	209,216	(496,727)	(496,727)	(15,977,949)	(15,977,949)	(105,581)	(105,581)	445,430	445,430	(15,638,100)	(15,638,100)	(15,638,100)

## Notes to the Financial Statements 31 March 2025 (continued)

### 13. INVENTORIES

	Group	
	2025 RM	2024 RM
<b>At cost</b>		
Raw materials	41,565,351	42,717,439
Work-in-progress	3,602,416	4,151,482
Finished goods	35,286,589	41,483,563
	80,454,356	88,352,484
<b>At net realisable value</b>		
Raw materials	1,025,908	1,105,620
Finished goods	1,238,443	1,193,408
	82,718,707	90,651,512

- (a) Inventories are stated at the lower of cost and net realisable value.
- (b) The cost of inventories is calculated using the first-in, first-out method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing the inventories to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.
- (c) As at the end of each reporting period, the following are the amounts recognised in cost of sales:

	Group	
	2025 RM	2024 RM
Cost of inventories	176,455,854	192,557,518
Inventories written back	(394,482)	(2,168,514)
Inventories written down	262,640	395,614
Inventories written off	-	467,076

During the financial year, the Group wrote back RM394,482 (2024: RM2,168,514) in respect of inventories written down in the previous financial years that were subsequently not required as the Group was able to sell those inventories above their carrying amounts.

It requires management to exercise significant judgement in identifying inventories with net realisable values that are lower than their costs, with reference to the condition and ageing of inventories to ascertain the amount of inventories to be written down.

## Notes to the Financial Statements 31 March 2025 (continued)

### 14. OTHER INVESTMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Quoted bond	-	25,176,318	-	-
Short-term funds	75,586,668	4,829,392	1,997,961	1,907,452
	<u>75,586,668</u>	<u>30,005,710</u>	<u>1,997,961</u>	<u>1,907,452</u>

- (a) Other investments are classified as financial assets measured at fair value through profit or loss.
- (b) Other investments are denominated in Ringgit Malaysia.
- (c) The fair value of quoted bond was determined by reference to indicative prices from an accredit bond pricing agency. Quoted bond of the Group were categorised at Level 2 in the fair value hierarchy. There was no transfer between levels in the hierarchy during the financial year.
- (d) Short-term funds are investments in money market and bond, which are designated to manage free cash flows and optimise working capital so as to provide a steady stream of income returns.
- (e) The fair value of short-term funds are determined by reference to the exchange quoted market bid prices at the close of the business at the end of each reporting period. Short-term funds of the Group and of the Company are categorised at Level 1 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.
- (f) Information on financial risks of other investments is disclosed in Note 32 to the financial statements.

### 15. CASH AND BANK BALANCES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	37,163,042	46,591,111	97,180	26,634
Deposits with licensed banks	242,548,361	270,366,958	7,886,337	18,538,127
	<u>279,711,403</u>	<u>316,958,069</u>	<u>7,983,517</u>	<u>18,564,761</u>

- (a) Cash and bank balances are classified as financial assets measured at amortised cost.
- (b) The currency exposure profile of cash and bank balances are disclosed in Note 32(b)(iv) to the financial statements.

## Notes to the Financial Statements 31 March 2025 (continued)

### 15. CASH AND BANK BALANCES (continued)

- (c) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of each reporting period:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	37,163,042	46,591,111	97,180	26,634
Deposits with licensed banks	242,548,361	270,366,958	7,886,337	18,538,127
	<u>279,711,403</u>	<u>316,958,069</u>	<u>7,983,517</u>	<u>18,564,761</u>
Less:				
Deposits with licensed banks with maturity of more than three (3) months	(178,995,989)	(63,844,000)	(2,915,997)	(8,000,000)
	<u>100,715,414</u>	<u>253,114,069</u>	<u>5,067,520</u>	<u>10,564,761</u>

- (d) No expected credit losses were recognised arising from deposits with licensed banks because the probability of default by these financial institutions were negligible.
- (e) Information on financial risks of cash and bank balances is disclosed in Note 32 to the financial statements.

### 16. SHARE CAPITAL

	Group and Company			
	2025		2024	
	Number of shares	Amount RM	Number of shares	Amount RM
<b>Issued and fully paid-up with no par value</b>				
Balance as at 1 April 2024/2023	195,468,760	203,697,692	194,813,360	202,434,277
Issuance of ordinary shares pursuant to ESOS	509,300	981,778	655,400	1,263,415
Balance as at 31 March	<u>195,978,060</u>	<u>204,679,470</u>	<u>195,468,760</u>	<u>203,697,692</u>

- (a) During the financial year, the issued and fully paid-up ordinary shares of the Company was increased from 195,468,760 ordinary shares to 195,978,060 ordinary shares by way of issuance of 509,300 new ordinary shares pursuant to 509,300 options exercised under the ESOS at exercise price of RM1.5542 each for cash, totalling of RM791,554.

## Notes to the Financial Statements 31 March 2025 (continued)

### 16. SHARE CAPITAL (continued)

(a) (continued)

In the previous financial year, the issued and fully paid-up ordinary shares of the Company was increased from 194,813,360 ordinary shares to 195,468,760 ordinary shares by way of issuance of 655,400 new ordinary shares pursuant to 655,400 options exercised under the ESOS at exercise price of RM1.5542 each for cash, totalling of RM1,018,623.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

(b) The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

### 17. TREASURY SHARES

	Group and Company			
	2025		2024	
	Number of ordinary shares	Amount RM	Number of ordinary shares	Amount RM
Balance as at 1 April 2024/2023	707,500	1,213,641	500	2,131
Purchase of treasury shares	5,913,000	11,252,750	707,000	1,211,510
Balance as at 31 March	<u>6,620,500</u>	<u>12,466,391</u>	<u>707,500</u>	<u>1,213,641</u>

(a) The shareholders of the Company, by a special resolution passed at an Extraordinary General Meeting held on 25 September 2001 approved the plan of the Company to purchase its own shares. At the Annual General Meeting held on 27 September 2024, the shareholders of the Company by an ordinary resolution renewed the mandate given to the Company to repurchase its own shares based, amongst others, on the following terms:

- (i) The number of shares to be repurchased and/or held as treasury shares shall not exceed 10% of its existing issued and paid-up share capital of the Company;
- (ii) The amount to be utilised for the repurchase of own shares by the Company shall not exceed the total retained earnings of the Company at the time of purchase; and
- (iii) The Directors may retain the shares so repurchased as treasury shares and may resell the treasury shares and/or distribute them as share dividend and/or cancel them in a manner they deem fit in accordance with the provisions of the Companies Act 2016 in Malaysia and listing requirements and applicable guidelines of Bursa Malaysia Securities Berhad.

The Company has the rights to retain, cancel, resell and/or distribute these shares as dividends. As treasury shares, the rights attached to them as to voting, dividends and participation in any other distributions or otherwise are suspended.

## Notes to the Financial Statements 31 March 2025 (continued)

### 17. TREASURY SHARES (continued)

- (b) During the financial year, the Company repurchased 5,913,000 of its issued ordinary shares from the open market of Bursa Malaysia Securities Berhad at an average price of RM1.90 per ordinary share. The total consideration paid, net of transactions costs, for the repurchased shares was RM11,252,750 and was financed by internally generated funds.
- (c) In the previous financial year, the Company repurchased 707,000 of its issued ordinary shares from the open market of Bursa Malaysia Securities Berhad at an average price of RM1.71 per ordinary share. The total consideration paid, net of transactions costs, for the repurchased shares was RM1,211,510 and was financed by internally generated funds.
- (d) As at 31 March 2025, the ordinary shares held as treasury shares were 6,620,500 units (2024: 707,500 units). The number of outstanding ordinary shares in issue and fully paid after deducting the treasury shares held was 189,357,560 (2024: 194,761,260). Treasury shares held have no rights to voting, dividends and other participation in other distribution.

### 18. RESERVES

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
<b>Non-distributable:</b>				
Exchange translation reserve	21,898,278	29,742,706	-	-
Share options reserve	2,813,637	2,505,490	2,813,637	2,505,490
	24,711,915	32,248,196	2,813,637	2,505,490
<b>Distributable:</b>				
Retained earnings	507,303,204	557,229,238	84,429,371	78,201,672
	532,015,119	589,477,434	87,243,008	80,707,162

- (a) Exchange translation reserve

The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment of the Group in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

- (b) Share options reserve

Share options reserve represents the effect of equity-settled share options granted to employees. This reserve comprises the cumulative value of services received from employees for the issue of share options. Whenever options are exercised, an amount from the share options reserve is transferred to share capital. Whenever the share options expire, an amount from the share options reserve is transferred to retained earnings.

**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**19. TRADE AND OTHER PAYABLES**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Trade payables</b>				
Third parties	7,583,231	6,639,422	-	-
Amounts owing to related parties	2,690,702	2,842,218	-	-
	10,273,933	9,481,640	-	-
<b>Other payables</b>				
Third parties	10,329,510	11,749,036	272,853	295,691
Amounts owing to related parties	41,860	72,049	-	-
Accruals	5,651,392	8,668,510	137,935	353,990
Dividend payable	-	6,816,644	-	6,816,644
	16,022,762	27,306,239	410,788	7,466,325
	<u>26,296,695</u>	<u>36,787,879</u>	<u>410,788</u>	<u>7,466,325</u>

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables (including amounts owing to related parties) are non-interest bearing and the normal trade terms granted to the Group comprise cash term and credit terms of up to 120 days (2024: cash term and credit terms of up to 120 days).
- (c) The non-trade amounts owing to related parties represent advances which are unsecured, interest-free and payable within next twelve (12) months in cash and cash equivalents.
- (d) The related parties are companies related to the associate of the Group and companies in which a Director and his close family members collectively have controlling interests.
- (e) The currency exposure profile of trade and other payables are disclosed in Note 32(b)(iv) to the financial statements.
- (f) Information on financial risks of trade and other payables is disclosed in Note 32 to the financial statements.



## Notes to the Financial Statements

### 31 March 2025 (continued)

#### 20. FINANCIAL GUARANTEE CONTRACTS

- (a) The Company has given financial guarantees to certain financial institutions for banking facilities granted to its subsidiaries for a limit of RM126,180,000 (2024: RM155,022,000) of which RM981,591 (2024: RM943,131) were utilised at the end of the reporting period.
- (b) The Company has given financial guarantee of RM11,460,000 (2024: RM11,940,000) to a supplier of its subsidiary, Higher Kings Mill Limited of which RM1,388,007 (2024: RM1,497,732) was utilised at the end of the reporting period.
- (c) Information on financial risks of financial guarantee contracts are disclosed in Note 32 to the financial statements.

The Group designates corporate guarantees as financial liabilities as defined in MFRS 9 *Financial Instruments*. A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- (i) the amount of the loss allowance; and
- (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15 *Revenue from Contracts with Customers*.

The fair value of the financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instruments and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

The financial guarantees have not been recognised as at the end of the reporting period as the fair value was not material.

The Company determines the probability of default of the guaranteed loans individually using internal information available. As at the end of the reporting period, the Company did not recognise any allowance for impairment loss.

**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**21. REVENUE**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Revenue from contracts</b>				
<b>with customers:</b>				
Sale of goods	275,050,295	294,154,749	-	-
Commission income	80,181	80,328	80,181	80,328
Management fee from subsidiaries	-	-	7,422,000	6,942,000
<b>Other revenue:</b>				
Dividend income from:				
- subsidiaries	-	-	12,435,044	14,877,912
- an associate	-	-	523,176	697,568
	<u>275,130,476</u>	<u>294,235,077</u>	<u>20,460,401</u>	<u>22,597,808</u>

*Disaggregation of revenue from contracts with customers*

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Timing of revenue recognition</b>				
Transferred over time	3,377,335	6,594,324	7,422,000	6,942,000
Transferred at a point in time	271,753,141	287,640,753	80,181	80,328
Revenue from contracts				
with customers	<u>275,130,476</u>	<u>294,235,077</u>	<u>7,502,181</u>	<u>7,022,328</u>

Disaggregation of revenue of the Group by geographical markets is disclosed in Note 4(c) to the financial statements.

(a) Sale of goods

Revenue from sale of stationery products, coloured paper, boards, plastic based related products, consumer and food wares products is recognised at a point in time when the goods have been transferred to the customers and coincides with the delivery of goods and acceptance by customers.

Revenue from sale of made-to-order stationery products is recognised over time based on cost incurred method which is consistent with the Group's inputs to the satisfaction of a performance obligation in a customer contract. These contracts do not create assets with an alternative use to the Group. The Group has an enforceable right to payment for performance completed to date.

There is no warranty provided to the customers on the sale of goods.

There is no significant financing component in the revenue arising from sale of goods as the sales are made on the normal credit terms not exceeding twelve (12) months.

## Notes to the Financial Statements 31 March 2025 (continued)

### 21. REVENUE (continued)

(b) Commission income

When the Group and the Company act in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group and the Company.

(c) Management fee from subsidiaries

Management fee from subsidiaries are recognised over time when the subsidiaries simultaneously receive and consume the benefits.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

### 22. OTHER INCOME

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Bad debts recovered	4,787	-	-	-
Distribution income from short-term funds	538,213	5,065	31,477	541
Fair value gain on other investments	987,744	144,666	134,032	1,204
Gain on disposal of property, plant and equipment	388,668	17,334	-	-
Interest income from:				
- bank balances	11,299,559	11,682,407	453,188	894,917
- other investments	1,583,136	1,932,729	-	-
Realised gain on foreign exchange	-	10,002,316	-	341,071
Unrealised gain on foreign exchange	5,758,874	1,787,808	196,730	119,329
Rental income	1,088,728	495,547	-	-
Miscellaneous income	416,560	526,292	13,304	3,470
	<u>22,066,269</u>	<u>26,594,164</u>	<u>828,731</u>	<u>1,360,532</u>

(a) Interest income

Interest income is recognised as it accrues, using the effective interest method.

(b) Rental income

Rental income is recognised on a straight-line basis over the lease term.

## Notes to the Financial Statements 31 March 2025 (continued)

### 23. EMPLOYEE BENEFITS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Wages, salaries, overtime and bonuses	57,065,180	57,746,642	5,793,491	5,356,176
Contributions to defined contribution plan	4,657,103	4,138,246	1,036,023	814,721
Social security contributions	4,614,592	4,996,528	12,706	10,191
Share options vested under share options scheme	624,985	1,109,853	222,220	373,503
	<u>66,961,860</u>	<u>67,991,269</u>	<u>7,064,440</u>	<u>6,554,591</u>

Included in employee benefits of the Group and of the Company are Directors' remuneration amounting to RM3,645,565 (2024: RM4,220,180) and RM3,645,565 (2024: RM3,348,915) as further disclosed in Note 24 to the financial statements.

### 24. DIRECTORS' REMUNERATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Directors of the Company</b>				
Directors' fee	356,740	339,588	326,740	309,588
Salaries and other emoluments	3,577,853	3,235,105	3,577,853	3,235,105
Share options vested under share options scheme	67,712	113,810	67,712	113,810
Estimated money value of benefits-in-kind	28,000	28,000	28,000	28,000
	<u>4,030,305</u>	<u>3,716,503</u>	<u>4,000,305</u>	<u>3,686,503</u>
<b>Directors of the subsidiaries</b>				
Directors' fee	44,300	44,663	-	-
Salaries and other emoluments	-	871,265	-	-
Total Directors' remuneration	<u>4,074,605</u>	<u>4,632,431</u>	<u>4,000,305</u>	<u>3,686,503</u>

## Notes to the Financial Statements

### 31 March 2025 (continued)

#### 25. EMPLOYEES' SHARE OPTION SCHEME ('ESOS')

At an Extraordinary General Meeting of the Company held on 4 March 2022, the shareholders of the Company approved the establishment of an ESOS up to ten percent (10%) of the issued and fully paid-up capital (excluding treasury shares) of the Company for the eligible Executive Directors and employees of the Group. The ESOS shall be in force for a period of five (5) years commencing from 8 March 2022 ('Duration of the Scheme').

The salient features of the ESOS are as follows:

- (a) The maximum number of new ordinary shares in the Company which may be available under the Scheme shall not be more than ten percent (10%) of the issued and fully paid-up share capital (excluding treasury shares) of the Company at any point in time during the duration of the ESOS and further, the following shall be complied with:
  - (i) not more than seventy percent (70%) of the ESOS Options shall be allocated, in aggregate, to the eligible Executive Directors and senior management of the Group; and
  - (ii) not more than ten percent (10%) of the total number of shares to be issued under ESOS shall be allocated to any eligible person who, either singly or collectively through persons connected with him/her, holds twenty percent (20%) or more of the issued and fully paid-up ordinary share capital of the Company.
- (b) Eligible persons are employees and Executive Directors, who have been confirmed in the employment of the Group and of the Company and have been in the employment of the Group and of the Company on a full time basis for at least six (6) months and have attained eighteen (18) years of age or above as at the date of offer.
- (c) The ESOS shall be in force for a period of five (5) years, commencing from 8 March 2022, subject to a further extension of five (5) years as the Board of Directors may determine.
- (d) The option price shall be determined by the Board of Directors upon recommendation of the ESOS committee at a discount of not more than ten percent (10%) from the volume weighted average market price of the ordinary shares of the Company as quoted by Bursa Malaysia Securities Berhad for the five (5) market days immediately preceding the date of the offer.
- (e) The options granted are exercisable on a time proportion basis over the duration of the ESOS. The employee's entitlement to the options is vested as soon as they become exercisable.
- (f) The options granted are not entitled to dividends, rights, allotments or any other form of distributions unless the eligible persons become the shareholder of the Company by exercising the ESOS options.

## Notes to the Financial Statements 31 March 2025 (continued)

### 25. EMPLOYEES' SHARE OPTION SCHEME ('ESOS') (continued)

The details of the options over ordinary shares of the Company are as follows:

Date of offer	[-----Number of options over ordinary shares-----]			Balance as at 31.3.2025 <sup>^</sup>	Exercisable as at 31.03.2025
	Balance as at 1.4.2024	Exercised	Forfeited*		
24 June 2022	9,477,100	(509,300)	(380,000)	8,587,800	3,701,300
Exercise price (RM)					1.5542

\* Due to resignation

<sup>^</sup> Exercisable by the grantee upon achieving the vesting conditions set by the ESOS Committee and are subject to the allotment of shares between 15% to 30% per year over vesting period of five (5) years.

Fair value of share options was estimated by using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted. Fair value of share options measured at grant date and the assumptions used were as follows:

	24 June 2022
Fair value of share options (RM)	0.3735
Weighted average share price (RM)	1.7400
Weighted average exercise price (RM)	1.5542
Expected volatility (%)	26.04
Expected life (years)	4.70
Risk free rate (%)	3.70
Expected dividend yield (%)	5.40

### 26. FINANCE COST

	Group	
	2025 RM	2024 RM
Interest expense on lease liabilities	38,759	119,483

**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**27. TAX EXPENSE**

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Current tax expense based on (loss)/profit for the financial year	10,770,394	11,732,312	156,000	322,000
Under/(Over)provision of tax expense in prior years	2,749	207,330	(3,370)	(757)
	<u>10,773,143</u>	<u>11,939,642</u>	<u>152,630</u>	<u>321,243</u>
Deferred tax (Note 12):				
- relating to origination and reversal of temporary differences	648,581	299,584	-	-
- overprovision of deferred tax in prior years	(543,000)	(508,800)	-	-
	<u>105,581</u>	<u>(209,216)</u>	<u>-</u>	<u>-</u>
Withholding tax	1,424,746	803,039	-	-
Tax expense for the financial year	<u>12,303,470</u>	<u>12,533,465</u>	<u>152,630</u>	<u>321,243</u>

- (a) Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated taxable profit for the fiscal year.
- (b) Tax expense for other taxation authorities are calculated at the rates prevailing in those respective jurisdictions.



**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**27. TAX EXPENSE (continued)**

- (c) The numerical reconciliation between the tax expense and the product of accounting (loss)/profit multiplied by the applicable tax rates of the Group and of the Company are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
(Loss)/Profit before tax	(30,890,713)	64,727,490	13,008,451	16,903,700
Share of results of equity-accounted associate, net of tax	15,790,763	1,096,354	-	-
	<u>(15,099,950)</u>	<u>65,823,844</u>	<u>13,008,451</u>	<u>16,903,700</u>
Tax at Malaysian statutory tax rate of 24% (2024: 24%)	(3,623,988)	15,797,723	3,122,028	4,056,888
Tax effects in respect of:				
- different tax rates in foreign jurisdictions	245,211	546,612	-	-
- expenses not deductible for tax purpose	16,666,972	578,757	230,120	114,078
- income not subject to tax	(1,558,133)	(4,054,887)	(3,196,148)	(3,848,966)
Withholding tax	1,424,746	803,039	-	-
Tax incentives and allowances	(311,087)	(836,309)	-	-
Under/(Over)provision in prior years				
- income tax	2,749	207,330	(3,370)	(757)
- deferred tax	(543,000)	(508,800)	-	-
	<u>12,303,470</u>	<u>12,533,465</u>	<u>152,630</u>	<u>321,243</u>

- (d) Tax on each component of other comprehensive income is as follows:

<b>Group</b>	<b>Before tax RM</b>	<b>Tax effect RM</b>	<b>After tax RM</b>
<b>2025</b>			
<b>Item that may be reclassified subsequently to profit or loss</b>			
Foreign currency translations	<u>(6,144,660)</u>	<u>-</u>	<u>(6,144,660)</u>
<b>Item that will not be reclassified subsequently to profit or loss</b>			
Share of other comprehensive loss of equity-accounted associate	<u>(1,734,077)</u>	<u>-</u>	<u>(1,734,077)</u>

**Notes to the Financial Statements**  
**31 March 2025 (continued)**

**27. TAX EXPENSE (continued)**

(d) Tax on each component of other comprehensive income is as follows: (continued)

Group	Before tax RM	Tax effect RM	After tax RM
<b>2024</b>			
<b>Item that may be reclassified subsequently to profit or loss</b>			
Foreign currency translations	10,129,764	-	10,129,764
<b>Item that will not be reclassified subsequently to profit or loss</b>			
Share of other comprehensive income of equity-accounted associate	1,203,905	-	1,203,905

**28. (LOSS)/EARNINGS PER ORDINARY SHARE**

(a) Basic

Basic (loss)/earnings per ordinary share for the financial year is calculated by dividing the (loss)/profit for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares held by the Company.

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
(Loss)/Profit for the financial year attributable to owners of the parent (RM)	(43,297,912)	52,074,605
Weighted average number of ordinary shares in issue (unit)	195,468,760	194,813,360
Effects of:		
- treasury shares held (unit)	(3,609,767)	(576,279)
- exercise of ESOS (unit)	323,014	246,198
Adjusted weighted average number of ordinary shares applicable to basic (loss)/earnings per ordinary share (unit)	192,182,007	194,483,279
Basic (loss)/earnings per ordinary share (sen)	(22.53)	26.78

## Notes to the Financial Statements 31 March 2025 (continued)

### 28. (LOSS)/EARNINGS PER ORDINARY SHARE (continued)

(b) Diluted

Diluted (loss)/earnings per ordinary share for the financial year is calculated by dividing the (loss)/profit for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
(Loss)/Profit for the financial year attributable to owners of the parent (RM)	<u>(43,297,912)</u>	<u>52,074,605</u>
Weighted average number of ordinary shares in issue applicable to basic (loss)/earnings per ordinary share (unit)	192,182,007	194,483,279
Effect of dilution due to ESOS (unit)	<u>1,728,446</u>	<u>1,894,444</u>
Adjusted weighted average number of ordinary shares applicable to diluted (loss)/earnings per ordinary share (unit)	<u>193,910,453</u>	<u>196,377,723</u>
Diluted (loss)/earnings per ordinary share (sen)	<u>(22.33)</u>	<u>26.52</u>

### 29. DIVIDENDS

	<b>Group and Company</b>			
	<b>2025</b>		<b>2024</b>	
	<b>Dividend per share sen</b>	<b>Amount of dividend RM</b>	<b>Dividend per share sen</b>	<b>Amount of dividend RM</b>
In respect of financial year ended 31 March 2023:				
Single tier final dividend	-	-	3.50	6,807,495
In respect of financial year ended 31 March 2024:				
- single tier first interim dividend	-	-	3.50	6,812,795
- single tier second interim dividend	-	-	3.50	6,816,644
- single tier final dividend	3.50	6,754,736	-	-
	<u>3.50</u>	<u>6,754,736</u>	<u>10.50</u>	<u>20,436,934</u>

The Directors recommend a single tier final dividend of 2.00 sen per ordinary share, amounting to RM3,787,151 based on the number of ordinary shares in issue as at the date of this report, in respect of the financial year ended 31 March 2025, subject to the approval of shareholders at the forthcoming Annual General Meeting.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 March 2026.

## Notes to the Financial Statements 31 March 2025 (continued)

### 30. CAPITAL COMMITMENT

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Capital expenditure in respect of purchase of property, plant and equipment:		
Contracted but not provided for	41,378	91,832

### 31. RELATED PARTY DISCLOSURES

#### (a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other entities.

Related parties of the Group include:

- (i) An associate as disclosed in Note 10 to the financial statements and its subsidiaries, namely Federal Packages Sdn. Bhd. and Muda Paper Mills Sdn. Bhd.;
- (ii) Direct and indirect subsidiaries as disclosed in Note 9 to the financial statements;
- (iii) Companies in which a Director, Dato' Lim Soon Huat and his close family members collectively have controlling interests, namely Asia Educational Supplies Sdn. Bhd., Dynamic Office Sdn. Bhd., Dynamic Consulting & Engineering Sdn. Bhd. and RTS Manufacturing Sdn. Bhd.;
- (iv) Company in which a Director of a subsidiary, Mr. Rodney Christopher Martin, has substantial financial interest, namely Christopher Martin Ltd.; and
- (v) Key management personnel are defined as those persons having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Company and certain Directors of the subsidiaries.

## Notes to the Financial Statements 31 March 2025 (continued)

### 31. RELATED PARTY DISCLOSURES (continued)

#### (b) Significant related parties transactions

In addition to the related parties information detailed elsewhere in the financial statements, the Group and the Company had the following significant transactions with related parties during the financial year:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
<b>Related parties</b>		
Purchases:		
- Asia Educational Supplies Sdn. Bhd.	21,294	33,571
- Dynamic Consulting & Engineering Sdn. Bhd.	23,870	83,375
- Dynamic Office Sdn. Bhd.	55,641	53,929
- RTS Manufacturing Sdn. Bhd.	8,167,309	2,407,758
- Federal Packages Sdn. Bhd.	1,673,964	1,642,401
- Muda Paper Mills Sdn. Bhd.	28,167	28,493
Purchase of property, plant and equipment:		
- Dynamic Office Sdn. Bhd.	-	1,680
Sales:		
- Asia Educational Supplies Sdn. Bhd.	24,340	54,570
- RTS Manufacturing Sdn. Bhd.	928,271	371,912
- Dynamic Office Sdn. Bhd.	21,620	-
- Federal Packages Sdn. Bhd.	19,303	-
Sales of property, plant and equipment:		
- Asia Educational Supplies Sdn. Bhd.	-	1,330
- Dynamic Office Sdn. Bhd.	-	180
Sales commission income:		
- RTS Manufacturing Sdn. Bhd.	35,833	42,525
Sales commission expense:		
- RTS Manufacturing Sdn. Bhd.	-	11,950
Rental income:		
- Asia Educational Supplies Sdn. Bhd.	9,000	12,000
Rental expense:		
- RTS Manufacturing Sdn. Bhd.	3,000	-
Consultancy fee paid to a Company in which a Director of a subsidiary has a substantial financial interest	137,026	87,305
Rental expense to a Director of a subsidiary and his family member	9,600	9,600

## Notes to the Financial Statements 31 March 2025 (continued)

### 31. RELATED PARTY DISCLOSURES (continued)

#### (b) Significant related parties transactions (continued)

In addition to the related parties information detailed elsewhere in the financial statements, the Group and the Company had the following significant transactions with related parties during the financial year: (continued)

	<b>Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
<b>An associate</b>		
Dividend income	523,176	697,568
<b>Subsidiaries</b>		
Dividend income	12,435,044	14,877,912
Management fee received	7,422,000	6,942,000

The related party transactions described above were undertaken on mutually agreed and negotiated terms.

#### (c) Compensation of key management personnel

The key management personnel comprise the Directors of the Group and their remuneration during the financial year are as disclosed in Note 24 to the financial statements.

### 32. CAPITAL AND FINANCIAL RISK MANAGEMENT

#### (a) Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the ability of the Group to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain the optimal capital structure, the Group may adjust the dividend payouts to shareholders, repurchase its own shares or issue new shares, where necessary. There were no changes in the Group's approach to capital management during the financial year.

## Notes to the Financial Statements 31 March 2025 (continued)

### 32. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

#### (a) Capital management (continued)

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, lease liabilities, trade and other payables, cash and bank balances and short-term funds. Capital includes equity attributable to owners of the parent.

	<b>Group</b>		<b>Company</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Short-term funds	75,586,668	4,829,392	1,997,961	1,907,452
Cash and bank balances	279,711,403	316,958,069	7,983,517	18,564,761
Less: Lease liabilities	(770)	(1,531,658)	-	-
Trade and other payables	(26,296,695)	(36,787,879)	(410,788)	(7,466,325)
Net cash	<u>329,000,606</u>	<u>283,467,924</u>	<u>9,570,690</u>	<u>13,005,888</u>
Total capital	724,228,198	791,961,485	279,456,087	283,191,213
Net cash	(329,000,606)	(283,467,924)	(9,570,690)	(13,005,888)
	<u>395,227,592</u>	<u>508,493,561</u>	<u>269,885,397</u>	<u>270,185,325</u>
Gearing ratio	*	*	*	*

\* No gearing ratio is presented as the Group and the Company are in net cash position.

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40,000,000. The Company has complied with this requirement for the financial year ended 31 March 2025.

The Group is not subject to any other externally imposed capital requirements.

#### (b) Financial risk management

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group's financial risk management policies.



## Notes to the Financial Statements

### 31 March 2025 (continued)

#### 32. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

##### (b) Financial risk management (continued)

The Group is exposed mainly to credit risk, liquidity and cash flow risk, interest rate risk and foreign currency risk. Information on the management of the related exposures is detailed below.

##### (i) Credit risk

The Group's exposure to credit risk arises principally from the individual characteristics of each trade receivable made on credit term, other investments, deposits with licensed banks and financial guarantee contracts, which requires the loss to be recognised if a counter party fails to perform as contracted. The Group controls the credit risk on sales by ensuring that its customers have sound financial position and credit history. The Group also seeks to invest cash assets safely and profitably with approved financial institutions in line with the policy of the Group.

The Company's primary exposure is through the amounts owing by subsidiaries.

##### Exposure to credit risk

At the end of the reporting period, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

##### *Trade receivables*

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables are required to pay within the credit terms granted. Information about the credit terms, lifetime expected credit losses and past due ageing are disclosed in Note 11 to the financial statements.

##### *Financial guarantee contracts*

The maximum exposure of the Company to credit risk in relation to financial guarantee contracts provided to the financial institutions and a supplier of a subsidiary are disclosed in Note 20 to the financial statements.

The Company provided financial guarantee contracts to the financial institutions for banking facilities granted to subsidiaries and a supplier of its subsidiary. The Company monitors on an ongoing basis the financial performance of the subsidiaries and the repayments made by the subsidiaries to the financial institutions and supplier.

## Notes to the Financial Statements 31 March 2025 (continued)

### 32. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

#### (b) Financial risk management (continued)

##### (i) Credit risk (continued)

##### Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the country profiles of its trade receivables on an ongoing basis. The credit risk concentration profile of the trade receivables of the Group at the end of the reporting period are as follows:

	<b>Group</b>			
	<b>2025</b>		<b>2024</b>	
	<b>RM</b>	<b>% of total</b>	<b>RM</b>	<b>% of total</b>
<b>By country:</b>				
Malaysia	18,302,209	38%	17,278,132	38%
Asia (excluding Malaysia)	117,393	*	336,150	*
Europe	28,486,240	59%	26,901,926	59%
America	485,104	1%	379,839	1%
Others	822,399	2%	854,635	2%
	48,213,345	100%	45,750,682	100%

\* Less than 1%

At the end of the reporting period, approximately 30% (2024: 24%) of the trade receivables of the Group were due from one (1) (2024: one (1)) major customer who is located in Europe (2024: Europe).

##### (ii) Liquidity and cash flow risk

Liquidity and cash flow risks is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The exposure of the Group and of the Company to liquidity risk arises principally from their various payables and lease liabilities.

The Group and the Company actively manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In liquidity risk management strategy, the Group and the Company maintain a level of cash and cash equivalents and banking facilities deemed adequate by the management to finance the Group's and the Company's operations to mitigate any adverse effects of fluctuations in cash flows.

## Notes to the Financial Statements 31 March 2025 (continued)

### 32. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

#### (b) Financial risk management (continued)

##### (ii) Liquidity and cash flow risk (continued)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of each reporting period based on contractual undiscounted repayment obligations.

	On demand or within one (1) year RM	One (1) to five (5) years RM	Total RM
<b>2025</b>			
<b>Group</b>			
<b>Financial liabilities</b>			
Trade and other payables	26,296,695	-	26,296,695
Lease liabilities	1,217	-	1,217
Total undiscounted financial liabilities	<u>26,297,912</u>	<u>-</u>	<u>26,297,912</u>
<b>Company</b>			
<b>Financial liabilities</b>			
Trade and other payables	410,788	-	410,788
Financial guarantee contracts*	2,369,598	-	2,369,598
Total undiscounted financial liabilities	<u>2,780,386</u>	<u>-</u>	<u>2,780,386</u>
<b>2024</b>			
<b>Group</b>			
<b>Financial liabilities</b>			
Trade and other payables	36,787,879	-	36,787,879
Lease liabilities	1,388,598	183,876	1,572,474
Total undiscounted financial liabilities	<u>38,176,477</u>	<u>183,876</u>	<u>38,360,353</u>
<b>Company</b>			
<b>Financial liabilities</b>			
Trade and other payables	7,466,325	-	7,466,325
Financial guarantee contracts*	2,440,863	-	2,440,863
Total undiscounted financial liabilities	<u>9,907,188</u>	<u>-</u>	<u>9,907,188</u>

\* The disclosure represents the maximum amount that is required to be settled in the event of a default and the lenders or creditors, where applicable, call on the Company to pay for the subsidiaries.

## Notes to the Financial Statements 31 March 2025 (continued)

### 32. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

#### (b) Financial risk management (continued)

##### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company will fluctuate because of changes in market interest rates.

The Group's and the Company's income and operating cash flows are substantially independent of changes in market interest rates. The exposure to market risk of the Group and of the Company for changes in interest rates relates primarily to the lease liabilities and deposits placed with licensed banks.

#### Sensitivity analysis for interest rate risk

The net exposure to interest rate risk of the Group and of the Company is kept at a minimum level as the interest-bearing financial assets and financial liabilities are mainly with fixed rates and the financial instruments are short-term in nature, hence any fluctuation in the interest rates will not have any significant impact to the financial statements of the Group and of the Company.

The following table set out the carrying amounts, the effective interest rates and incremental borrowing rates as at the end of the reporting period and the remaining maturities of the Group's and Company's financial instruments that are exposed to interest rate risk:

Group	Effective interest rates/ Incremental borrowing rates %	Within one (1) year RM	One (1) to five (5) years RM	Total RM
<b>Fixed rates</b>				
<b>2025</b>				
Lease liabilities	3.05	(770)	-	(770)
Deposits with licensed banks	1.14 - 4.85	242,548,361	-	242,548,361
<b>2024</b>				
Lease liabilities	3.05	(1,348,246)	(183,412)	(1,531,658)
Deposits with licensed banks	2.39 - 5.60	270,366,958	-	270,366,958
<b>Company</b>				
<b>Fixed rate</b>				
<b>2025</b>				
Deposits with licensed banks	3.00 - 4.70	7,886,337	-	7,886,337
<b>2024</b>				
Deposits with licensed banks	4.00 - 5.30	18,538,127	-	18,538,127

## Notes to the Financial Statements 31 March 2025 (continued)

### 32. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management (continued)

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Company and its subsidiaries.

The Group uses forward exchange contracts to hedge its foreign currency risk. However, there was no foreign currency forward exchange contract outstanding as at 31 March 2025 and 31 March 2024.

The net financial assets and liabilities of the Group and of the Company that are not denominated in their functional currencies are as follows:

	[-----Denominated in-----]		
	EUR RM	GBP RM	USD RM
<b>2025</b>			
<b>Group</b>			
Trade and other receivables	690,298	2,905,427	1,913,476
Cash and bank balances	53,362,788	176,198,824	6,406,785
Trade and other payables	(233,382)	-	(1,366,806)
Net currency exposure	<u>53,819,704</u>	<u>179,104,251</u>	<u>6,953,455</u>
<b>Company</b>			
Trade and other receivables	2,485	4,878,992	-
Cash and bank balances	4,977,003	2,916,970	-
Net currency exposure	<u>4,979,488</u>	<u>7,795,962</u>	<u>-</u>
<b>2024</b>			
<b>Group</b>			
Trade and other receivables	989,680	38	2,614,560
Cash and bank balances	47,969,897	143,674,864	845,375
Trade and other payables	(134,609)	-	(1,342,261)
Net currency exposure	<u>48,824,968</u>	<u>143,674,902</u>	<u>2,117,674</u>
<b>Company</b>			
Cash and bank balances	<u>5,099,913</u>	<u>5,439,141</u>	<u>-</u>

## Notes to the Financial Statements

### 31 March 2025 (continued)

#### 32. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management (continued)

(iv) Foreign currency risk (continued)

##### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity analysis of (loss)/profit after tax of the Group and of the Company to reasonably possible change in the EUR, GBP and USD exchange rates against the functional currency of the Group and of the Company, with all other variables held constant.

		Effect on (loss)/profit after tax (Decrease)/Increase	
		2025 RM	2024 RM
EUR/RM	- strengthened by 10% (2024: 10%)	(4,090,298)	3,710,698
	- weakened by 10% (2024: 10%)	4,090,298	(3,710,698)
GBP/RM	- strengthened by 10% (2024: 10%)	(13,611,923)	10,919,293
	- weakened by 10% (2024: 10%)	13,611,923	(10,919,293)
USD/RM	- strengthened by 10% (2024: 10%)	(528,463)	160,943
	- weakened by 10% (2024: 10%)	528,463	(160,943)
		Effect on equity Increase/(Decrease)	
		2025 RM	2024 RM
EUR/RM	- strengthened by 10% (2024: 10%)	881,746	1,066,954
	- weakened by 10% (2024: 10%)	(881,746)	(1,066,954)
GBP/RM	- strengthened by 10% (2024: 10%)	509,252	789,283
	- weakened by 10% (2024: 10%)	(509,252)	(789,283)

## Notes to the Financial Statements 31 March 2025 (continued)

### 32. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management (continued)

(iv) Foreign currency risk (continued)

#### Sensitivity analysis for foreign currency risk (continued)

Company		Effect on profit after tax Increase/(Decrease)	
		2025	2024
		RM	RM
EUR/RM	- strengthened by 10% (2024: 10%)	378,441	387,593
	- weakened by 10% (2024: 10%)	(378,441)	(387,593)
GBP/RM	- strengthened by 10% (2024: 10%)	592,493	413,375
	- weakened by 10% (2024: 10%)	(592,493)	(413,375)

Sensitivity analysis of other currencies are not disclosed as the fluctuation of those foreign exchange rates against the functional currency of the Group and of the Company are not significant.

### 33. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

#### 33.1 New MFRSs adopted during the financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ('MASB') during the financial year:

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

Adoption of the above Standards and Amendments to the Standards did not have any material effect on the financial performance or position of the Group and of the Company during the financial year.



## Notes to the Financial Statements 31 March 2025 (continued)

### 33. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (continued)

#### 33.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
<i>Annual Improvements to MFRS Accounting Standards - Volume 11</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments to the Standards, since the effects would only be observable for the future financial years.

### 34. STATUTORY DISCLOSURE

Pursuant to Section 249(4)(e) of Companies Act 2016, details of auditors' remuneration payable by the Group and by the Company during the financial year were as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Statutory audit</b>				
- BDO PLT, Malaysia	200,000	134,200	68,500	45,700
- BDO member firms	619,195	507,013	-	-
- other auditors	21,440	21,800	-	-
<b>Other services</b>				
- BDO PLT, Malaysia	6,000	5,800	6,000	5,800
- BDO member firms	11,925	12,750	-	-
	<u>858,560</u>	<u>681,563</u>	<u>74,500</u>	<u>51,500</u>

## List of Properties

LOCATION	DESCRIPTION	LAND AREA (sq.meters)	TENURE	AGE (years)	NET BOOK VALUE (RM'000)	DATE OF REVALUATION/ ACQUISITION (*)
01) No 81 & 81A Jalan Sungai Pinang Lots P1473-1476, Section 9-W, Georgetown Daerah Timur-Laut Penang	Rented	2,443	Freehold	34	5,694	June 1994
02) P.T. No 1870 (Plot 16) Hilir Sungai Keluang 2 Bayan Lepas Industrial Estate (Phase IV) Mukim 12 Daerah Barat Daya Penang	Office, Factory cum warehouse	12,235	60-year lease expiring on 09-09-2051	30	6,884	June 1994 (Land)  June 1995 (*) (First Building)  March 2000 (*) (Second Building)
03) No 5, Lorong Perindustrian Bukit Minyak 3 Taman Perindustrian Bukit Minyak, 14100 Bukit Mertajam, Penang	Rented	1,761	60-year lease expiring on 10-10-2055	30	659	April 2000 (*)
04) No 7, Lorong Perindustrian Bukit Minyak 3 Taman Perindustrian Bukit Minyak, 14100 Bukit Mertajam, Penang	Rented	1,761	60-year lease expiring on 10-10-2055	30	604	April 2000 (*)
05) Lot 1310, Mukim 14, Daerah Seberang Prai Tengah, Penang	Office, Factory cum warehouse	26,540	Freehold	34	9,551	March 2004 (*)
06) PT 43263, H.S.(D) 128696 Mukim Petaling, Daerah Petaling, Selangor	Office, Factory cum warehouse	2,023	Freehold	19	2,131	April 2004 (*)
07) Kasseler Landstraße 12 D-37213 Witzhausen Germany	Office, Factory cum warehouse	11,983	Freehold	52	4,442	January 2008 (*)
08) Heiligenstädter Straße 32, D-37318 Kirchgangern Germany	Office, Factory cum warehouse	21,840	Freehold	34	6,366	January 2008 (*)  March 2009 (*) (Additional Warehouse)
09) Cullompton, Devon EX 15 1Q3 United Kingdom	Office, Factory cum warehouse	52,609	Freehold	-	4,291	September 2011 (*)  March 2013 (*) (Additional Warehouse)

## List of Properties (continued)

LOCATION	DESCRIPTION	LAND AREA (sq.meters)	TENURE	AGE (years)	NET BOOK VALUE (RM'000)	DATE OF REVALUATION/ ACQUISITION (*)
10) Ashton Road Denton, Manchester M34 3LR United Kingdom	Office, Factory cum warehouse	18,000	Freehold	-	2,702	April 2012 (*)
11) Lot 1309, Mukim 14, Daerah Seberang Prai Tengah, Penang	Office, Factory cum warehouse	30,495	Freehold	34	9,830	December 2012 (*) (Land) March 2014 (First Building) March 2021 (Second Building)
12) 2A, 6 & 8, Lorong Industri Ringan Permatang Tinggi 14, Taman Industri Ringan Permatang Tinggi, Penang	Office, Factory cum warehouse	2,319	Freehold	8	5,720	September 2017 (*)
13) Lot PT 17611, Bandar of Sungai Petani, District of Kuala Mudah, Kedah Darul Aman	Rented	4,286	Freehold	36	2,377	December 2021
14) H.S (D) 10271, PT 66400, Bandar of Sungai Petani, District of Kuala Mudah, Kedah Darul Aman  H.S (D) 10272, PT 66401, Bandar of Sungai Petani, District of Kuala Mudah, Kedah Darul Aman  H.S (D) 10277, PT 66406, Bandar of Sungai Petani, District of Kuala Mudah, Kedah Darul Aman  H.S (D) 10278, PT 66407, Bandar of Sungai Petani, District of Kuala Mudah, Kedah Darul Aman	Office, Factory cum warehouse	17,512	60-year lease expiring on 04-04-2055	24	10,639	December 2021

## Shareholdings Statistics As at 3 July 2025

TOTAL ISSUED SHARES	: 189,357,560 <i>(excluded of 6,620,500 treasury shares)</i>
CLASS OF SHARES	: Ordinary Shares
VOTING RIGHTS	: One vote per Ordinary Share held

### Breakdown of shareholdings

Size of Shareholdings	No. of Shareholders	No. of Shares	%
Less than 100	87	3,684	0.00
100 to 1,000	331	230,393	0.12
1,001 to 10,000	1,209	5,659,853	2.99
10,001 to 100,000	514	15,964,386	8.43
100,001 to 9,467,877 *	84	60,553,693	31.98
9,467,878 and above **	2	106,945,551	56.48
<b>TOTAL</b>	<b>2,227</b>	<b>189,357,560</b>	<b>100.00</b>

\* Less than 5% of issued shares

\*\* 5% and above of issued shares

**Shareholdings Statistics**  
**As at 3 July 2025 (continued)**

**THIRTY LARGEST DEPOSITORS AS AT 3 JULY 2025**

	<b>NAME</b>	<b>NO. OF SHARES</b>	<b>% OF ISSUED CAPITAL</b>
1	PRESTIGE ELEGANCE (M) SDN BHD	83,738,951	44.22
2	AMANAHRAYA TRUSTEES BERHAD AMANA SAHAM BUMIPUTERA	23,206,600	12.26
3	LIM SOON HUAT	8,442,127	4.46
4	LIM SIEW LEE	5,817,860	3.07
5	TEOH CHIN CHIA	4,985,000	2.63
6	LIM SOON HEE	4,117,996	2.17
7	JCBNEXT BERHAD	4,038,200	2.13
8	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	3,109,840	1.64
9	KHOO SAW SIM	2,588,672	1.37
10	LIM SOON WAH	2,443,230	1.29
11	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD ( A/C CLIENTS )	1,879,400	0.99
12	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG YEE HUI (KLC/KEN)	1,800,000	0.95
13	TEO KWEE HOCK	1,548,400	0.82
14	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO SIEW LAI	1,212,200	0.64
15	BEH PHAIK HOOI	978,928	0.52
16	FOO NIAN CHOU	835,584	0.44
17	CIMB GROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR DBS BANK LTD (SFS)	753,400	0.40
18	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SUSY DING (CEB)	627,600	0.33

**Shareholdings Statistics**  
**As at 3 July 2025 (continued)**

**THIRTY LARGEST DEPOSITORS AS AT 3 JULY 2025 (continued)**

	<b>NAME</b>	<b>NO. OF SHARES</b>	<b>% OF ISSUED CAPITAL</b>
19	LIM SOON WAH	500,000	0.26
20	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM SOON WAH	500,000	0.26
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEW REN WEE	461,100	0.24
22	ALMA RUBBER ESTATES SDN. BERHAD	460,000	0.24
23	TAN AIK CHOON	448,600	0.24
24	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOH PHAIK NGOH (PENANG-CL)	436,800	0.23
25	OH PHAIK WEE	418,080	0.22
26	KONG TIAM	405,000	0.21
27	FO KONG MING	370,000	0.20
28	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR OH HAW KUANG (PENANG-CL)	349,692	0.18
29	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN TIAN SANG @ TAN TIAN SONG(E-PPG)	343,000	0.18
30	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOALKEY SYSTEM SDN BHD (MY14 61)	333,000	0.18
		<b>157,149,260</b>	<b>82.97</b>

## Analysis of Shareholdings As at 3 July 2025

### **SUBSTANTIAL SHAREHOLDERS**

No.	Name	<----- Direct Interest ----->		<---- Indirect Interest ----->	
		No. of Shares	% of total issued capital <sup>(a)</sup>	No. of Shares	% of total issued capital <sup>(a)</sup>
1.	Datin Khoo Saw Sim	2,588,672	1.37	83,738,951 <sup>(b)</sup>	44.22
2.	Dato' Lim Soon Huat	8,442,127	4.46	83,738,951 <sup>(b)</sup>	44.22
3.	Prestige Elegance (M) Sdn Bhd	83,738,951	44.22	-	-
4.	Amanah Raya Trustees Berhad - Amanah Saham Bumiputra	23,206,600	12.26	-	-

(a) This excluded 6,620,500 treasury shares.

(b) Deemed interest via Prestige Elegance (M) Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.

### **DIRECTORS' SHAREHOLDINGS**

No.	Name	<----- Direct Interest ----->		<---- Indirect Interest ----->	
		No. of Shares	% of total issued capital <sup>(a)</sup>	No. of Shares	% of total issued capital <sup>(a)</sup>
1.	Dato' Lim Soon Huat	8,442,127	4.46	89,907,211 <sup>(b)</sup>	47.48
2.	Chua Hooi Luan	-	-	-	-
3.	Lee Thean Yew	-	-	-	-
4.	Koay Siu Hoay	-	-	-	-

(a) This excluded 6,620,500 treasury shares.

(b) Deemed interest via Prestige Elegance (M) Sdn Bhd pursuant to Section 8(4) of the Companies Act, 2016 and interest of spouse and children pursuant to Section 59 (11)(c) of the Companies Act, 2016.

#### Note:

By virtue of his deemed interest in the Company, Dato' Lim Soon Huat is deemed to have interest in the shares of the subsidiaries to the extent the Company has an interest.



## Notice of Annual General Meeting

**NOTICE IS HEREBY GIVE** that the Thirty-First (31<sup>st</sup>) Annual General Meeting (“**AGM**”) of **ASIA FILE CORPORATION BHD.** (“**AFC**” or “**the Company**”) will be held at Olive Tree Hotel, Level 6, Olive 4 & 5, 76, Jalan Mahsuri, 11950 Bayan Lepas, Penang on Tuesday, 30 September 2025 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 2025 together with the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note 1)*
2. To re-elect Ms. Chua Hooi Luan who retires pursuant to Clause 88 of the Company’s Constitution and who, being eligible, has offered herself for re-election. *Ordinary Resolution 1*
3. To re-elect Ms. Koay Siu Hoay who retires pursuant to Clause 95 of the Company’s Constitution and who, being eligible, has offered herself 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 until the next AGM of the Company in year 2026. *Ordinary Resolution 3*
5. To approve the payment of a single tier final dividend of 2.0 sen per ordinary share for the financial year ended 31 March 2025. *Ordinary Resolution 4*
6. 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 5*

#### 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:

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

“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.

## Notice of Annual General Meeting (continued)

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."

### 8. Proposed Renewal of Share Buy-Back Authority

*Ordinary Resolution 7*

"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 2025 of RM84,429,371;

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.

## Notice of Annual General Meeting (continued)

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.”

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 2.0 sen per share in respect of the financial year ended 31 March 2025 will be payable on 23 October 2025 to the Depositors who are registered in the Record of Depositors at the close of business on 3 October 2025, if approved by the shareholders at the forthcoming 31<sup>st</sup> AGM on 30 September 2025.

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 2025 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 2025

### (A) Notes: -

- 1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 September 2025 (General Meeting Record of Depositors) shall be eligible to participate in the 31<sup>st</sup> 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 31<sup>st</sup> 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@sshbsb.com.my](mailto:info@sshbsb.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 2025**

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 and 2 – Re-election of Directors who retire 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 every three (3) years but shall be eligible for re-election.

Clause 95 of the Company's Constitution states that any Director who is appointed either to fill a casual vacancy or as addition to the existing Directors, shall hold office until the next AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Ms. Chua Hooi Luan who retires in accordance with Clause 88 of the Company's Constitution and Ms. Koay Siu Hoay who retires in accordance with Clause 95 of the Company's Constitution and being eligible, have offered themselves 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.

## Notice of Annual General Meeting (continued)

The Board (save for the retiring Directors who had abstained from deliberation and voting) accepted the NRC's recommendation that the Directors who retire in accordance with Clause 88 and 95 of the Company's Constitution met the fit and proper criteria and are eligible to stand for re-election.

The profiles of the Directors who are standing for re-election as per Agenda item 2 and 3 of the Notice of the 31st AGM are stated in the Annual Report 2025.

### 3. Ordinary Resolution 3 – 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 3 as follow:

Ordinary Resolution 3 – Payment of Directors' fee and benefits for the period commencing one day after this AGM until the next AGM of the Company in year 2026.

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 4 – Declaration of a single tier final dividend for the year ended 31 March 2025

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 29 May 2025, the Board had recommended a final dividend of 2.0 sen per share in respect of this financial year ended 31 March 2025 to be paid to its shareholders subject to the approval of the shareholders at the 31<sup>st</sup> 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 5 – 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 2026. 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.

## **Notice of Annual General Meeting (continued)**

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

The proposed Ordinary Resolution 6 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”).

The Company had been granted a general mandate by its shareholders at the last AGM held on 27 September 2024 of which will lapse at the conclusion of the 31st 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 share holders of the Company prior to issuance of new shares in the Company under the General Mandate.

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

The proposed Ordinary Resolution 7, 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 2025 which is despatched together with the Company’s Annual Report 2025 for further information.

## **Notice of Annual General Meeting (continued)**

### **Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 31<sup>st</sup> 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 31<sup>st</sup> 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)

#### **1. Details of individuals who are standing for election as Directors**

As at date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at this forthcoming 31<sup>st</sup> AGM.

#### **2. General mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements**

Details of the general mandate to issue securities in the Company pursuant to Section 75 and Section 76 of the Act are set out in Explanatory Note (B)(6) of the Notice of the 31<sup>st</sup> AGM.



**ASIA FILE CORPORATION BHD**

(Registration No.: 199401027510 (313192-P))  
(Incorporated in Malaysia)

**FORM OF PROXY**

Thirty-First (31<sup>st</sup>)  
Annual General Meeting

CDS Account No.	
No. of Shares Held	

I/We \_\_\_\_\_ (Tel:) \_\_\_\_\_ NRIC/Registration No. \_\_\_\_\_  
(Full Name in Capital Letters)

of \_\_\_\_\_  
(Full address in Capital Letters)

being a member of **ASIA FILE CORPORATION BHD** ("the Company") hereby appoint the following person(s):

First Proxy		
Name	NRIC/Passport No.	No. of shares to be represented
Second Proxy		
Name	NRIC/Passport No.	No. of shares to be represented

or failing him/her, the Chairman of the Meeting, as \*my/our proxy/proxies to attend and to vote for \*me/us on \*my/our behalf at the Thirty-First Annual General Meeting ("31<sup>st</sup> AGM") of the Company to be held at **Olive Tree Hotel, Level 6, Olive 4 & 5, 76, Jalan Mahsuri, 11950 Bayan Lepas, Penang** on **Tuesday, 30 September 2025** at **10.00 am** and at any adjournment thereof.

My/Our Proxy is to vote as indicated below:

AGENDA					
To receive the Audited Financial Statements for financial year ended 31 March 2025 together with the Reports of the Directors and Auditors thereon.					
ORDINARY RESOLUTIONS		First Proxy		Second Proxy	
Ordinary Business		For	Against	For	Against
Resolution 1	To re-elect Ms. Chua Hooi Luan as a Director of the company.				
Resolution 2	To re-elect Ms. Koay Siu Hoay as a Director of the Company.				
Resolution 3	To approve the payment of Directors' fee and benefits.				
Resolution 4	To approve a single tier final dividend for the financial year ended 31 March 2025.				
Resolution 5	To re-appoint Messrs. BDO PLT as Auditors of the Company.				
Special Business					
Resolution 6	Authority to issue shares pursuant to the Companies Act 2016 and Waiver of Pre-emptive Rights.				
Resolution 7	Proposed Renewal of Share Buy-Back Authority.				

(Please indicate with "X" in the appropriate space how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion.)

Note: Please note that the short description given above on the Resolutions to be passed do not in any way whatsoever reflect the intent and purpose of the Resolutions. Shareholders are encouraged to refer to the Notice of 31<sup>st</sup> AGM for the full purpose and intent of the Resolutions to be passed.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
\*Signature /Common Seal of Member

\* Strike out whichever is not applicable.



**Notes:**

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 22 September 2025 (General Meeting Record of Depositors) shall be eligible to participate in the 31<sup>st</sup> 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.
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 31<sup>st</sup> 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@sshshb.com.my](mailto:info@sshshb.com.my).
6. 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.

----- Please fold across the lines and close -----

AFFIX  
STAMP

The Company Secretaries  
**ASIA FILE CORPORATION BHD**  
Registration No. 199401027510 (313192-P)  
Suite 18.05, MWE Plaza,  
No. 8, Lebuhr Farquhar,  
10200 George Town,  
Pulau Pinang, Malaysia.

----- Please fold across the lines and close -----

**Personal data privacy:**

By submitting the duly executed proxy form, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 31<sup>st</sup> AGM of the Company and any adjournment thereof.





**Asia File Corporation Bhd.** Registration No. 199401027510 (313192-P)

Plot 16, Kawasan Perindustrian Bayan Lepas, Phase 4, Mukim 12, Bayan Lepas, 11900 Penang, Malaysia.

Tel: 04-642 6601 Website: [www.asia-file.com](http://www.asia-file.com)