ASIA FILE CORPORATION BHD.

ANNUAL REPORT 2026

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32nd

ANNUAL GENERAL MEETING

Friday, 25th September 2026

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

SCAN HERE
to view our Annual Report online

Board Of Directors

Dato' Lim Soon Huat
(Executive Chairman)

Chua Hooi Luan
(Independent Non-Executive Director)

Lee Thean Yew
(Independent Non-Executive Director)

Koay Siu Hoay (appointed on 30 June 2025)
(Independent Non-Executive Director)

Company Secretaries

Yeow Sze Min
(MAICSA 7065735) (SSM PC No. 201908003120)

Low Seow Wei
(MAICSA 7053500) (SSM PC No. 202008000437)

Registered Office

Suite 18.05, MWE Plaza,
No. 8, Lebuh Farquhar,
10200 George Town, Pulau Pinang.
04-263 1966 04-262 8544
info@sshsb.com.my

Registrar

Securities Services (Holdings) Sdn Bhd (Penang)
197701005827 (36869-T)
Suite 18.05, MWE Plaza,
No. 8, Lebuh Farquhar,
10200 George Town, Pulau Pinang.
04-263 1966 04-262 8544
info@sshsb.com.my

Principal Place of Business

Plot 16, Kawasan Perindustrian Bayan Lepas,
Phase IV, Mukim 12,
11900 Bayan Lepas, Penang.
04-642 6601 04-642 6602

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad

Auditors

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206

Introduction

Asia File Corporation Bhd. ("AFC"), which has been listed on Bursa Malaysia since 1996, together with its subsidiaries ("the Group"), is principally engaged in the manufacturing and distribution of filing products under the well-established "ABBA" brand, alongside industrial, consumer and food ware products marketed under "ABBAware" brand. Over the years, the Group has established a strong global presence and reputation for consistently delivering quality and durable products that meet the evolving needs of consumers and businesses.

Headquartered in Penang, Malaysia, the Group operates an integrated network of production and warehousing facilities across key regions, supporting its global manufacturing and distribution capabilities.

The Group's operational footprint comprises:

- Six (6) production and warehousing sites in Malaysia, serving as the primary hubs for manufacturing and distribution within the region.
- Two (2) manufacturing plants and one (1) paper mill in the United Kingdom. The paper mill produces a wide range of coloured paper and board, catering to both internal requirements and external customers across the filing, educational and specialty segments.
- Two (2) manufacturing facilities in Germany, strategically positioned to strengthen the Group's manufacturing capacity and market presence across the European region.





The Group's core business comprises the manufacturing and distribution of filing products and filing accessories, crafted from quality paperboard, plastics and metals. Supported by its established brand presence, the Group serves customers across key international markets, including the United Kingdom, Europe, North America, Australia, New Zealand, Middle East, Africa and the Asia Pacific region, reinforcing its well-established global footprint.

The Group continues to advance its strategic transformation into a diversified industrial, consumer and food ware products manufacturer under its established "ABBAware" brand. Amid the ongoing structural decline in demand for traditional filing products driven by digitalization, the Group has progressively broadened its product portfolio to capture emerging growth opportunities. Building on the successful introduction of packaging film in the prior year, the Group has continued to expand its Industrial, Consumer and Food Ware product offerings through active product development initiatives and targeted brand strengthening efforts. During the year, the Group also successfully launched a laundry basket series, further expanding its storage product range. This has further reinforced its reputation for reliability among consumers.

The Industrial, Consumer and Food Ware segment further increased its revenue contribution to 21.37% in the current financial year, underscoring the continued momentum of the Group's diversification strategy. This growth reflects the Group's sustained focus on product development and market penetration, particularly within digital and E-commerce platforms, which remain key drivers of the Group's transformation and consumer engagement strategy.

Anchored by its diversified business model, strengthened product portfolio and ongoing transformation initiatives, the Group is well-positioned to deliver long-term resilience and sustainable growth.

Financial Overview

	2026 RM'000	2025 RM'000
Revenue	238,539	275,130
Results from operations	6,760	27,279
Operating margin (%)	**2.83%**	**9.91%**
Impairment losses on:		
- Investment in an associate	-	(53,576)
- Goodwill	-	(2,185)
Share of loss of an associate	(5,486)	(15,791)
Finance cost	(848)	(39)
Interest and distribution income	11,687	13,421
Profit/(Loss) before tax ("PBT" / "LBT")	**12,113**	**(30,891)**
PBT % / LBT %	**5.08%**	**(11.23%)**
Tax expense	(7,193)	(12,303)
Profit/(Loss) after tax ("PAT" / "LAT")	**4,920**	**(43,194)**
PAT % / LAT %	**2.06%**	**(15.70%)**
Shareholders' fund	**716,760**	**724,228**
Short-term funds, cash and bank balances	**384,110**	**355,298**
Net asset per share (sen)	**378.52**	**382.47**

For the financial year ended 31 March 2026 ("FY2026"), the Group recorded revenue of RM238.54 million, compared to RM275.13 million in the previous financial year, representing a decline of 13.30%. The decrease was primarily attributable to challenging global market demand, coupled with the appreciation of Ringgit Malaysia against major foreign currencies during the year, which placed pressure on sales contributions and profit margins across both operating segments.

Revenue from Filing segment declined by 15.24% to RM187.47 million from RM221.17 million in the previous financial year, reflecting continued structural headwinds arising from the ongoing shift towards digitalization and paperless documentation practices. Despite softer performance, the segment remained as the Group's core revenue contributor, supported by its established market presence and long-standing position in the global filing industry.

The Industrial, Consumer and Food Ware segment recorded revenue of RM50.97 million, a marginal decrease of 5.40% compared to RM53.88 million in the previous financial year. The segment demonstrated relative resilience against a backdrop of cautious consumer spending, supported by the Group's continued product diversification efforts and sustained engagement through digital and E-commerce channels.

Recognising the growing importance of digital commerce in shaping consumer purchasing behaviour, the Group continued to strengthen its online presence and digital engagement initiatives during FY2026. Through enhanced product presentation, targeted promotional campaigns and active participation across various online platforms, the Group remained focused on improving brand visibility and expanding its customer reach. Notably, the Group expanded its digital footprint through its venture into TikTok Shop, which has contributed positively to online sales growth. As part of its ongoing product innovation efforts, the Group launched its Ready-to-Assemble ("RTA") storage solutions during the year, further strengthening and diversifying its storage solutions portfolio. Several product lines within the storage solutions category under "ABBAware" brand continued to rank among the bestsellers in major online marketplaces, reflecting sustained consumer trust and confidence in the brand.

Looking ahead, the Group will continue to leverage both retail and digital channels to broaden its market reach, while pursuing new product development opportunities to strengthen its competitive position and support long-term growth.

Operating Profits

For the financial year ended 31 March 2026, the Group recorded an operating profit of RM6.76 million, compared to RM27.28 million achieved in the previous financial year. Consequently, the Group's operating margin declined to 2.83% from 9.91% recorded a year ago, primarily reflecting the impact of lower revenue and unfavorable foreign exchange movements during the financial year.

The Group recorded a foreign exchange loss of RM16.00 million in FY2026, compared to RM8.47 million in the previous financial year. The increase in foreign exchange losses was mainly attributable to the continued weakening of Sterling Pound ("GBP") and Euro ("EUR") against the local currency. During the financial year, the closing rate of GBP against local currency weakened to 5.35 from 5.73 recorded a year earlier, which EUR declined to 4.64 from 4.77. These adverse currency movements had a significant impact on the Group's overall profitability.

Profit Before Tax

For FY2026, the Group achieved a profit before tax of RM12.11 million, representing a significant turnaround from the loss before tax of RM30.89 million reported in the previous financial year. The recovery was primarily attributable to the absence of impairment losses recognised in the previous financial year, totaling RM55.76 million.

The Group's profitability was further supported by a lower share of loss from an associate, which narrowed significantly to RM5.49 million from RM15.79 million in the previous financial year. In addition, the Group continued to benefit from interest and distribution income of RM11.69 million, underpinned by its healthy cash and short-term fund balances.

Notwithstanding these headwinds, the Group remained profitable at the pre-tax level, achieving a pre-tax margin of 5.08% for the financial year.

Capital Expenditure, Liquidity and Capital Structure

For the financial year ended 31 March 2026, the Group incurred capital expenditure of approximately RM1.88 million, compared to RM3.60 million in the previous financial year, primarily for investments in plant and machinery. All capital expenditure was funded through internally generated funds.

During the financial year, the Group maintained a healthy liquidity position. Cash and bank balances stood at RM321.55 million, while other short-term investments amounted to RM62.56 million, resulting in total liquid assets of RM384.11 million. The Group continued to generate positive operating cash flows, with net cash generated from operating activities of RM31.91 million, compared to RM18.48 million in the previous financial year, reflecting stronger operating cash generation. The Group continues to operate without any bank borrowings, underscoring its strong financial stability.

As at 31 March 2026, the Group's total assets decreased slightly to RM769.54 million from RM773.64 million in the previous financial year. Correspondingly, total equity decreased to RM717.57 million from RM725.03 million. As a result, net assets per share declined to 378.52 sen from 382.47 sen. Despite the slight movement in its financial position, the Group continues to maintain a solid balance sheet, supporting its ongoing operations and future initiatives, while strengthening its resilience against prevailing market uncertainties.

Dividends

In respect of FY2026, 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, reflecting the Group's continued focus on preserving financial flexibility amid prevailing market conditions.

Anticipated Risks

Advancement of Digitalization

The Group continues to accelerate its diversification into the Industrial, Consumer and Food Ware segment by expanding its product portfolio and strengthening its presence across retail and major E-commerce platforms. This strategic shift is driven by the continued adoption of artificial intelligence enabled document management solutions and increasing automation of business processes, which are accelerating the transition towards paperless operations and reducing long-term demand for traditional filing and document storage products.

The Group remains committed to reducing its reliance on the traditional filing business and strengthening a more diversified and resilient business model to support sustainable growth.

Rising Operating Cost

During the financial year, the Group continued to face cost pressures arising from labour-related changes, energy costs, raw material prices, freight and logistics costs, and other inflationary factors. If not effectively managed, these cost increases may adversely affect the Group's profitability and operating efficiency.

The Group continues to monitor these cost trends closely and implement appropriate cost optimisation and operational efficiency initiatives to mitigate the overall financial impact.

Supply Chain Disruption and Geopolitical Risk

The Group remains dependent on a stable and resilient supply chain to support its manufacturing operations, particularly for the timely procurement of key materials including paper, plastics, metals and resins. Geopolitical developments, including trade tensions, tariff policy changes, and disruptions to global shipping routes arising from conflicts in the Middle East, may adversely affect trade flows, logistics networks and material availability. This could result in higher procurement costs, production delays and potential disruptions to customer deliveries.

To mitigate these risks, the Group adopts proactive procurement planning, regular supplier performance monitoring and a dual-sourcing strategy to reduce reliance on any single supplier or region. Procurement and logistics strategies are reviewed regularly to support continuity of supply and uninterrupted manufacturing operations.

Foreign Exchange Risk

The Group's revenue and procurement activities are conducted in multiple currencies, particularly GBP, EUR and USD, exposing it to fluctuations in foreign exchange rates against Ringgit Malaysia. Exchange rate volatility may affect revenue, procurement costs and overall earnings.

To manage this exposure, the Group monitors foreign exchange movements, net currency positions and market conditions closely. Where appropriate, the Group may consider implementing suitable hedging strategies to mitigate the impact of significant currency fluctuations.

Risk Associated with New Ventures

As part of its long-term growth strategy, the Group continues to evaluate new opportunities within and beyond its core business segments. Such initiatives may involve execution, financial and operational risks.

Accordingly, the Group maintains a disciplined evaluation process through comprehensive due diligence and risk assessments prior to the commitment of any new investment. This ensures that key risks are identified, assessed and appropriately managed before entering into new business ventures.

Credit Risk of Customers

The Group extends credit terms to the majority of its customers, and is thereby exposed to the risk of delayed payments or potential default. Such events may adversely impact the Group's cash flow, liquidity position and financial performance.

To manage this risk, the Group maintains robust credit control procedures, including comprehensive credit evaluations and continuous monitoring of customers' financial position. Deliveries are made only to customers who meet the Group's creditworthiness criteria, thereby mitigating the risk of potential material credit losses.

Business Outlook and Prospects

The global business environment remains challenging, shaped by persistent geopolitical tensions, trade and tariff uncertainties, volatile input costs, evolving consumer preferences, and the accelerating pace of digital transformation. Against this backdrop, the Group remains focused on strengthening its core competencies and maintaining operational agility to respond effectively to changing market conditions.

The Group will continue to pursue disciplined growth across its Industrial, Consumer and Food Ware segments by strengthening customer relationships, expanding its market presence and enhancing its product offerings. In line with the continued growth of E-commerce, the Group will further strengthen its digital marketing capabilities to enhance customer engagement and brand visibility across key online channels.

Operational excellence and cost discipline remain key priorities. The Group will continue to streamline internal processes, optimise resource allocation, and strengthen supply chain management to preserve margins amid ongoing cost pressures, while maintaining high standards of product quality and customer service.

Looking ahead, while the operating environment is expected to remain challenging, the Group's solid financial position provides a strong foundation to navigate market uncertainties. Through disciplined execution and strategic adaptability, the Group remains committed to delivering long-term value to its stakeholders and capitalising on growth opportunities.

Corporate Structure

ASIA FILE CORPORATION BHD.

- 100% Asia File Products Sdn. Bhd.
  - 100% Plastoreg Smidt GmbH
  - 100% Plastoreg Eastlight Limited
- 100% AFP Composite Sdn. Bhd.
- 100% ABBA Marketing Sdn. Bhd.
- 100% ABBA Industrial Sdn. Bhd.
- 100% Formosa Technology Sdn. Bhd.
- 100% Lim & Khoo Sdn. Bhd.
- 100% Supportive Technology Sdn. Bhd.
- 100% Premier Stationery Pte. Ltd.
- 100% Higher Kings Mill Limited
- 95% Premier Stationery Limited

Dato' Lim Soon Huat *Non-Independent Executive Chairman*

69 age

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.

He is a Director and beneficial shareholder of Prestige Elegance (M) Sdn Bhd, a major shareholder of Asia File Corporation Bhd. He is also the spouse of Datin Lim Siew Lee and the father of Ms. Lim Chin Chin, Ms. Lim Mei Chin and Mr. Lim Kuok Yeow, all of whom are deemed major shareholders of the Company.

He does not hold any directorship in other public companies and listed companies.

He attended all four (4) Board Meetings held during the financial year ended 31 March 2026.

Chua Hooi Luan

Independent Non-Executive Director

Lee Thean Yew

Independent Non-Executive Director

Koay Siu Hoay

Independent Non-Executive Director

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). She brings over 30 years of experience in corporate finance, international project financing and cross-border mergers and acquisitions. She began her career in 1988 with an international audit firm, where she advanced to the position of audit senior before leaving in 1992 to pursue a career in corporate finance at an investment bank. In 1997, she joined a formerly listed company as its General Manager, Corporate Finance and subsequently assumed the role of Deputy Group Chief Financial Officer, a position she held until her retirement.

Ms. Chua presently sits on the Board of THMY Holdings Berhad, a public listed company, and Custom Food Holding Berhad, a public company undergoing an initial public offering (IPO).

She attended all four (4) Board Meetings held during the financial year ended 31 March 2026.

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.

He attended all four (4) Board Meetings held during the financial year ended 31 March 2026.

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 crossborder 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.

She does not hold any directorship in other public companies and listed companies.

She attended three (3) of the four (4) Board Meetings held during the financial year ended 31 March 2026 since her appointment on 30 June 2025.

Notes:

i) 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) In the past five (5) years, none of the directors was convicted of any offence other than traffic offences.

Ms. Lim Swee Kheng *Chief Financial Officer*

45 age

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.

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.

Ms. Lim Chin Chin *Business Operation Manager*

45 age

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 Chairman of the Company and Datin Lim Siew Lee, a deemed major shareholder of the Company. She is also the sister of Ms. Lim Mei Chin and Mr. Lim Kuok Yeow, both of whom are deemed major shareholders of the Company. 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*

41 age

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 responsible for overseeing production operation and the paper mill division. She 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 Chairman of the Company and Datin Lim Siew Lee, a deemed major shareholder of the Company. She is also the sister of Ms. Lim Chin Chin and Mr. Lim Kuok Yeow, both of whom are deemed major shareholders of the Company. She has no conflict of interest in any business arrangement involving the Company.

Mr. Chiang Kok Nearn *Plant Manager at Permatang Tinggi, Penang*

51 age

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.

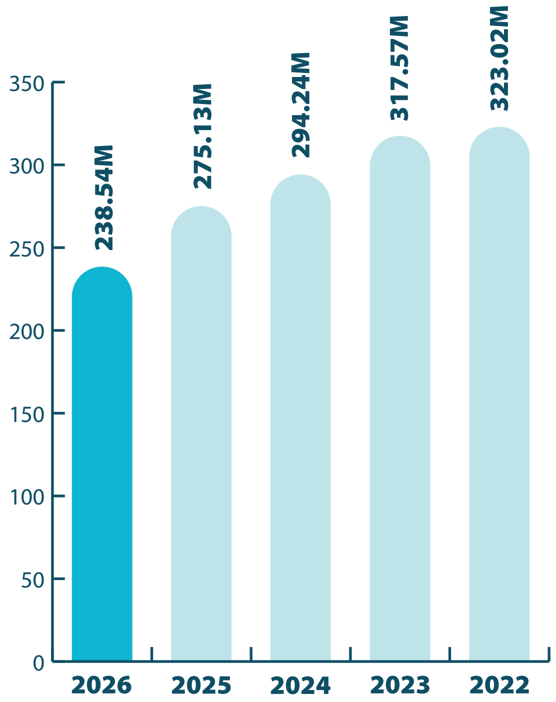
Additional information:

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 2026.

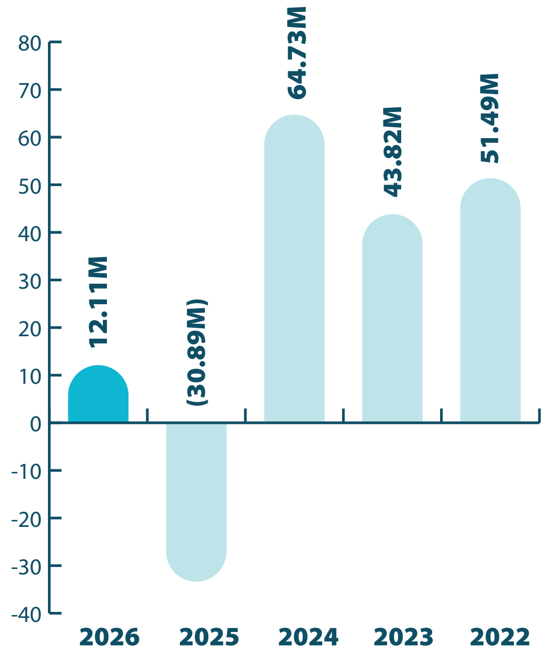
TURNOVER

RM238.54M



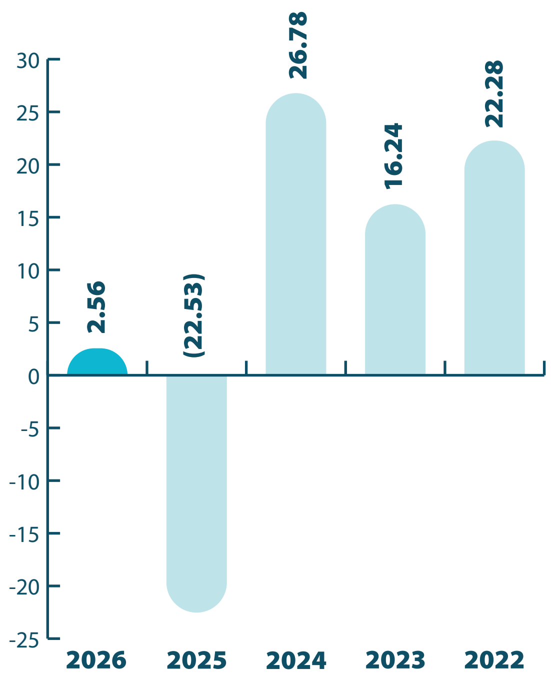
PROFIT BEFORE TAX

RM12.11M



BASIC EARNING PER SHARE

2.56SEN



NET ASSETS PER SHARE

378.52SEN

Overview

The Board of Directors ("Board") of Asia File Corporation Bhd. ("Company") is committed to maintaining a high standard of corporate governance across the Group, in accordance with the Malaysian Code on Corporate Governance ("MCCG") 2021, which forms part of the continuing obligations under the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Group recognises that a sound corporate governance framework promotes an ethical and accountable business environment that supports 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 2026. The CG 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. The detailed application of the corporate governance practices is disclosed in the CG Report.

Principle A: Board Leadership and Effectiveness

Board Responsibilities

The Board is responsible for setting the Group's strategic direction, overseeing resource allocation and, together 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 enhance business effectiveness, the Board delegates specific responsibilities to its Committees, namely the Audit Committee ("AC") and Nomination & Remuneration Committee ("NRC"). Both Committees comprise solely Independent Non-Executive Directors ("INED") to support objectivity and independence in their oversight roles.

The Board recognises the importance of incorporating sustainability considerations into the Group's business strategy, governance framework and decision-making processes. Sustainability-related matters are supported by internal management, which assists in coordinating relevant initiatives, monitoring developments and preparing sustainability disclosures in accordance with applicable regulatory requirements.

The Board also recognises the importance of cybersecurity in safeguarding the Group's information assets and operational systems. The Group continues to review its cybersecurity practices, policies and internal controls to manage technology-related risks in accordance with its operational requirements.

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 relevant professional bodies. They ensure that Board meetings are properly convened and conducted in accordance with applicable regulatory requirements.

The Board meets at least quarterly to review and discuss the Group's performance, strategic matters and key developments. The attendance of Directors at the respective meetings during the financial year is set out below:

Name of Director	Board	AC	NRC	Annual General Meeting
Dato' Lim Soon Huat (Non-Independent Executive Chairman)	4/4	-	-	1/1
Ms. Chua Hooi Luan (Independent Non-Executive Director)	4/4	4/4	1/1	1/1
Mr. Lee Thean Yew (Independent Non-Executive Director)	4/4	4/4	1/1	1/1
Ms. Koay Siu Hoay (Independent Non-Executive Director, appointed on 30 June 2025)	3/3	3/3	-	1/1
Mdm. Lam Voon Kean (Independent Non-Executive Director, retired on 30 June 2025)	1/1	1/1	1/1	-

To ensure that business operations are conducted ethically and in compliance with applicable laws and regulations, the Group has established a Code of Ethics and Conduct which governs the standards of ethical conduct expected from Directors and employees of the Group. Additionally, the Group's Employee Handbook reinforces these expectations by detailing the responsibilities that employees must uphold in performing their duties.

The Group acknowledges that a genuine commitment to detecting and preventing actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct requires appropriate mechanisms whereby employees and stakeholders of the Group can report their concerns freely without fear of retaliation or intimidation. Accordingly, the Group has established a Whistleblowing Policy which provides internal reporting channels and procedures, as well as protection accorded to whistleblowers 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, introduced corporate liability provisions relating to bribery and corruption. The Group has adopted an Anti-Bribery and Anti-Corruption Policy which is applicable to all Directors and employees at all times. The Group takes a serious view of corrupt practices and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships.

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 regularly interact with external parties to reinforce ongoing compliance with the Group's integrity standards. New employees who joined during the year 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 and conduct their business activities in accordance with the principles set out in the Group's policies.

Board members have direct access to senior management and may seek independent professional advice where necessary, 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 of leading and ensuring the effectiveness of the Board. While the Board acknowledges the dual role of Chairman and Chief Executive undertaken by Dato' Lim Soon Huat, the Board is of the view that the existing Board composition, together with the presence of Independent Directors and established governance processes, provides appropriate checks and balances.

The current Board composition includes Independent Directors, who constitute 75% of the Board. These Directors possess diverse professional backgrounds and experience, with some serving as directors in other public listed companies. The Board benefits from their experience and independent judgement in deliberating key issues.

During meetings, proposals are deliberated and collectively decided upon based on the views of the Board as a whole, ensuring that no single Board member dominates the decision-making process. Given Dato' Lim Soon Huat's extensive experience in managing the Group's business operations, the Board is of the view that his knowledge of the Group provides valuable insights and guidance during deliberations on key issues and discussions on recent developments.

Board Composition

The Board presently consists of one (1) Executive Director and three (3) Independent Non-Executive Directors ("INED"). The Executive Director has been actively involved in the industry for many years, bringing valuable experience and knowledge in ensuring the continued success of the Group. The Non-Executive Directors, with their diverse professional backgrounds and experience, contribute independent views and provide guidance to the Board in fulfilling its responsibilities 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 MCCG that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. The Board also takes note of the Enhanced Director Amendments to the MMLR issued by Bursa Securities on 19 January 2022 ("Enhanced Director Amendments"), which impose a mandatory twelve (12) year tenure limit for Independent Directors, whereby an affected long-serving Independent Director shall be re-designated as a non-independent director or replaced by the Board.

Currently, none of the INED has exceeded the nine (9) year tenure period.

On 30 June 2025, Mdm. Lam Voon Kean retired from the Board, as well as from her roles on the AC and NRC. In accordance with Paragraph 15.02 of the MMLR, the Board appointed Ms. Koay Siu Hoay as a new INED on the same day to fill the vacancy arising from the retirement.

Following Mdm. Lam Voon Kean's retirement, Ms. Chua Hooi Luan was re-designated as Chairman of both the AC and NRC, effective 30 June 2025.

The NRC leverages on the professional networks and recommendations of Directors and senior management to identify suitable candidates for Board appointments. Shortlisted candidates undergo assessment by the NRC based on relevant criteria, including skills, competency, time commitment, independence, professional knowledge, experience, character and other attributes aligned with the Group's strategic requirements.

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 appointment of Ms. Koay Siu Hoay provides additional perspectives and valuable insights, contributing towards effective decision-making processes within the Board.

The Board recognises that diversity is an important consideration in Board composition. However, the primary selection criteria for Directors remain the appropriate combination of competencies, skills, experience and knowledge required to support the Group's strategic objectives.

Prior to the appointment, the Group conducted the required assessment in accordance with the Group's Directors' Fit and Proper Policy.

The current Board composition reflects gender diversity, with female Directors representing 50% of the Board. The Board will continue to consider the appropriate mix of skills, experience, knowledge and diversity in future Board appointments.

Nomination & Remuneration Committee ("NRC")

The NRC consists of three (3) members, all of whom are INED. Following the retirement of Mdm. Lam Voon Kean on 30 June 2025, Ms. Chua Hooi Luan was appointed as Chairman of the NRC.

The NRC is entrusted with reviewing and assessing the adequacy and appropriateness of the Board composition, succession planning and remuneration matters. Members of the NRC possess relevant corporate experience and knowledge to support the Committee in carrying out its responsibilities.

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 one (1) meeting on 29 May 2025, which was attended by all Committee members.

During the financial year under review, the NRC carried out the following activities:

1. Reviewed the overall structure, size and composition of the Board with the aim of achieving an appropriate balance of views, skills and experience;

2. Reviewed the required mix of skills, experience and other qualities, including core competencies and time commitment required of Board members;

3. Conducted annual performance evaluations and assessments on the effectiveness of the Board and each Board Committee in discharging their respective duties and responsibilities;

4. Reviewed and assessed the independence of the Independent Directors in exercising independent judgement and decision-making;

5. Reviewed and endorsed the Board's approval on the salary increment framework and annual bonus for Directors and senior management, taking into consideration the Group's performance and prevailing market practices;

6. Reviewed the term of office and performance of the AC; and

7. Made recommendations to the Board regarding the re-appointment, re-election and retention of Directors who were 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, Board Committees and individual Directors through questionnaires, with the process facilitated by the Company Secretary.

The Board Evaluation Form was conducted for the Board, Board Committees and individual Directors on a continuing basis. The evaluation considers, among others, the effectiveness of the Board and Committees, Directors' contributions, integrity, professionalism and compliance with relevant legal and regulatory obligations.

The Directors' Fit and Proper Policy has been adopted and is available on the Company's website at https://www.asia-file.com/ir.html. The Policy provides guidance to the NRC in assessing potential candidates for Board appointments as well as Directors seeking election or re-election.

All assessment outcomes and comments from the evaluations were documented and deliberated during NRC meetings, and subsequently presented to the Board for consideration. These records remain confidential as part of the Company's internal governance documents and are not disclosed externally.

Directors' Training

Directors are encouraged to participate in relevant seminars, talks, trade fairs, workshops and conferences to continually enhance their skills and knowledge, and to remain abreast of developments in the business environment, corporate governance, regulatory requirements and other relevant areas.

All Directors have completed the Mandatory Accreditation Programme ("MAP") Part I as required by Bursa Securities. Three (3) Directors have completed MAP Part II. As a newly appointed Director on 30 June 2025, Ms. Koay Siu Hoay is required to complete MAP Part II within eighteen (18) months from her appointment date in accordance with the applicable requirements.

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

Directors	Details	Date
Dato' Lim Soon Huat	• Canton Fair 2025	22 - 25 Apr 2025
	• MAP Part II: Leading for Impact (LIP)	04 - 05 Jun 2025
	• Mega Show Bangkok 2025 (an international household and consumer goods trade fair)	17 - 19 July 2025
	• Paperworld Middle East 2025	10 - 14 Nov 2025
	• January Furniture Show 2026	15 - 25 Jan 2026
	• The Ambiente Fair 2026	06 - 10 Feb 2026
	• Malaysian International Furniture Fair (MIFF 2026)	04 - 07 Mar 2026
Ms. Chua Hooi Luan	• Global Insights – Navigating the Tariffs Wave	03 Jun 2025
	• Embracing ESG through Bursa Malaysia and Simplified ESG Disclosure Guide (SEDG)	29 Jul 2025
	• IFRS 18: Navigating the New Presentation	28 Aug 2025
	• National Sustainability Reporting Framework – Compliance of IFRS S1 & S2 Standards	18 Sep 2025
	• Audit Oversight Board's Conversation with Audit Committees	25 Nov 2025
	• The Foresight Boardroom: Decoding 2025 & Designing 2026	12 Dec 2025
	• From Curiosity to Control: Board Intelligence in the Age of AI	27 Feb 2026

Directors	Details	Date
Mr. Lee Thean Yew	• Risk Management for Finance and Accounting Professionals	26 Feb 2026
Ms. Koay Siu Hoay	• MICPA – KPMG MBRS Financial Statement Training	06 - 07 Aug 2025
	• Mandatory Accreditation Programme (Part I)	27 - 28 Aug 2025
	• Tax Seminar on Budget 2026	03 Nov 2025
	• 2025 MFRS Updates	05 Dec 2025
	• Stamp Duty Forum: Compliance and Optimisation	10 Feb 2026

In addition to the above activities, Directors were also briefed by management, the Company Secretaries and external auditors on significant developments in relevant laws, regulations and governance practices during Board and Committee meetings.

Directors' Remuneration

The NRC is responsible for evaluating and recommending to the Board a transparent and equitable remuneration policy and framework for Directors and senior management of the Group.

The NRC is guided by the following principles:

a) Remuneration should reflect performance, complexity and responsibility, with the objective of attracting, motivating and retaining capable individuals while supporting the enhancement of the Group's value to shareholders;

b) Remuneration practices are benchmarked against relevant external market information to ensure that Directors and employees are fairly and appropriately remunerated; and

c) The remuneration management process shall be transparent, conducted in good faith and maintained with appropriate levels of confidentiality.

Details of the Directors' and senior management's remuneration in accordance with Practices 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 assisting the Board in overseeing the integrity of the Group's financial reporting process and ensuring that the financial statements of the Group are prepared in accordance with the provisions of the Companies Act 2016 and applicable accounting standards, providing a balanced and fair view of the Group's financial position and performance.

The AC comprises three (3) INED, all of whom possess relevant accounting and financial knowledge and experience. This enables the Committee to effectively deliberate on matters discussed during AC meetings, particularly those relating to financial reporting, audit and accounting matters.

During the financial year under review, the AC conducted two (2) private sessions with the external auditor without the presence of the Executive Director and management. These sessions facilitated direct communication between the AC and the external auditor, allowing the Committee to assess matters relating to audit findings, audit scope, objectivity and independence.

In addition, the AC reviewed the effectiveness of the internal audit function and assessed the adequacy and effectiveness of the Group's internal controls.

For further details on the composition and activities of the AC, 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 framework. The Board is responsible for ensuring that an appropriate framework is established to identify, assess and manage key risks faced by the Group.

Management is responsible for implementing the risk management and internal control processes, while the AC assists the Board through its oversight role in evaluating the adequacy and effectiveness of these processes.

The Group's risk management and internal control framework covers financial, operational and compliance controls, as well as the processes for identifying, assessing, monitoring and managing key risks affecting the Group.

The Group continues to review and enhance its risk management and internal control practices in response to changes in the business environment and operational requirements.

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.

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

Engagement with Stakeholders

The Group places significant emphasis on maintaining effective communication and constructive relationships with its stakeholders. The Group communicates its business strategies, progress of strategic initiatives and performance through various communication channels to promote transparency and timely dissemination of information.

All interactions with analysts, investors and media are coordinated through the Executive Chairman and the Chief Financial Officer, who engage with institutional investors and analysts periodically.

In adherence to the MMLR and the Corporate Disclosure Guide issued by Bursa Securities, the Group issues timely and accurate quarterly financial results and announcements through Bursa Securities and the Company's website.

The Annual Report incorporates relevant developments in corporate governance, regulatory requirements and the Group's performance during the financial year.

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 shareholders, investors and other stakeholders to remain informed of the Group's business progress and developments.

Conduct of General Meetings

The Board considers the Annual General Meeting ("AGM") as an important platform for engaging with shareholders. The AGM provides shareholders with an opportunity to participate in question and answer sessions, raise concerns and obtain updates on the Group's performance, business strategies and future plans.

The Group distributed the Notice of the 31st AGM to shareholders at least twenty-eight (28) days before the AGM in accordance with the requirements of the Companies Act 2016 and MMLR. This provided shareholders with sufficient time to review the proposed resolutions and make the necessary arrangements to participate in the AGM.

The Notice of AGM was also advertised in The Star newspaper to enhance shareholder awareness.

The 31st AGM of the Company was convened on 30 September 2025 at Olive Tree Hotel, Bayan Lepas, Penang. The meeting was attended by the Executive Chairman, Chief Financial Officer, Directors, Company Secretaries and representatives of the Group's external auditors, who were present to address any queries raised by shareholders during the AGM.

Poll voting was conducted in a paperless manner using wireless handheld devices for all resolutions set out in the Notice of AGM. The Directors addressed questions raised by shareholders on the proposed resolutions before the resolutions were put to vote.

Securities Services (Holdings) Sdn. Bhd. was appointed as the Poll Administrator to oversee the electronic poll voting process, while Commercial Quest Sdn. Bhd. acted 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 31st AGM, together 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 30 July 2026.

Overview

The Board of Directors ("Board") of Asia File Corporation Bhd. ("Company") is pleased to present the Audit Committee ("AC") Report for the financial year ended 31 March 2026. This Report provides an overview of the composition of the AC, the manner in which it discharged its responsibilities, and the activities undertaken during the financial year in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR").

Composition and Meeting

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors (“INED”). The current Chairman, Ms. Chua Hooi Luan, is a member of the Malaysian Institute of Certified Public Accountants ("MICPA"). She assumed the role following the retirement of Mdm. Lam Voon Kean on 30 June 2025.

Collectively, the members possess the necessary financial literacy, accounting knowledge and relevant experience to discharge their responsibilities effectively. The composition of the AC complies with Paragraph 15.09(1) of the MMLR.

As part of its annual governance process, the Board, through the Nomination and Remuneration Committee ("NRC"), conducted an assessment of the AC's effectiveness, including the performance of the Committee and its individual members, as required under Paragraph 15.20 of the MMLR. Following the assessment, the Board was satisfied that the AC and its members had discharged their duties effectively and continued to demonstrate the appropriate mix of skills, experience, independence and commitment necessary to fulfil their responsibilities in accordance with the AC's Terms of Reference ("TOR"), which are available on the Company's website.

The AC meets at least four (4) times annually. In addition, the AC meets with the External Auditors at least twice (2) a year without the presence of the Executive Directors and management to facilitate open and independent discussions on matters arising from the audit and to reinforce the independence of the External Auditors.

The Company Secretary attended all AC meetings and ensured that proper records of the proceedings were maintained. Minutes of each meeting were circulated promptly to the members and confirmed by the AC.

The composition of the AC and attendance of members during the financial year are as follows:

Name of Director	Designation	No. of Meetings Attended	% of Meetings Attended
Ms. Chua Hooi Luan *(Re-designated as Chairman on 30 June 2025)*	Chairman / INED	4/4	100
Mr. Lee Thean Yew	Member / INED	4/4	100
Ms. Koay Siu Hoay *(Appointed on 30 June 2025)*	Member / INED	3/3	100
Mdm. Lam Voon Kean *(Retired on 30 June 2025)*	Chairman / INED	1/1	100

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

Following each AC meeting, the Chairman of the AC reported to the Board on the Committee's deliberations, key decisions, significant matters and recommendations for the Board's consideration and decision, where appropriate.

Training

During the financial year, all members of the AC attended relevant training programmes to keep abreast of developments in financial reporting, corporate governance, regulatory requirements and other matters relevant to the discharge of their responsibilities. Details of the training programmes attended are set out in the Corporate Governance Overview Statement of this Annual Report.

Summary of Activities during the Financial Year

The AC carried out its duties and responsibilities in accordance with its TOR. The principal activities undertaken during the financial year are summarised below:

1. Financial Reporting

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 provided explanations and clarifications on significant financial reporting matters, accounting treatments and judgements where required.

b) The focus of review was on:
- Changes in or implementation of significant accounting policies;
- Significant matters highlighted by management or the External Auditors, including financial reporting issues, significant judgements and estimates, significant or unusual transactions, and the manner in which such matters were addressed;
- Assessment of the appropriateness of the going concern assumption adopted in the preparation of the financial statements; and
- Compliance with the applicable accounting standards and other relevant legal and regulatory requirements.

2. External Audit

a) Reviewed with the External Auditors:
- Their audit plan which included the audit strategy, scope of work and areas of audit focus; and
- The results of their annual statutory audit, the audit findings, management letter and management's responses to the audit recommendations.

b) Held two (2) private sessions with the External Auditors without the presence of the Executive Directors or management to facilitate open and independent discussions.

c) Evaluated the suitability, objectivity, independence, effectiveness and overall performance of the External Auditors before recommending their re-appointment and remuneration to the Board.

On 27 February 2026, prior to the commencement of the audit, BDO PLT ("BDO") presented its audit planning memorandum, which outlined the audit strategy, engagement team, materiality threshold, audit scope, audit methodology and key audit focus areas.

On 28 May 2026, BDO presented the results of the audit of the consolidated financial statements for the financial year ended 31 March 2026. No material unresolved audit issues requiring the AC's further attention were identified.

The AC also received written confirmation from BDO that it remained independent throughout the audit engagement in accordance with the relevant professional and regulatory requirements.

3. Internal Audit

a) Reviewed and approved the Internal Audit Plan to ensure adequate audit coverage over the Group's operations based on a risk-based approach, with appropriate emphasis on high-risk areas.

During the financial year, the Internal Audit Plan for the period from 1 April 2026 to 31 March 2027 was presented by the IAD and approved by the AC on 27 February 2026.

b) Reviewed the internal audit reports presented during the financial year, together with the audit findings, recommendations and management's responses.

c) Monitored the timely implementation of agreed management action plans to ensure that identified control weaknesses and key risks were appropriately addressed.

d) Held separate meetings with the Head of the IAD, without the presence of the Executive Directors or management, to discuss any significant issues arising from the internal audits.

e) Evaluated the independence, competency, resources, scope of work and overall effectiveness of the IAD in discharging its responsibilities.

4. Other Matters

a) Reviewed the recurrent related party transactions of a revenue or trading nature and other related party transactions to ensure that they were properly conducted, accounted for and disclosed in accordance with the MMLR.

b) Reviewed declarations of actual and potential conflicts of interest involving Directors and key senior management in accordance with the requirements of the MMLR.

c) Reviewed the status of any material litigation involving the Group during the financial year.

d) Reviewed the Audit Committee Report, Statement on Risk Management and Internal Control, Corporate Governance Overview Statement, Corporate Governance Report and Sustainability Statement before recommending them to the Board for approval.

Internal Audit Function

The AC recognises the importance of maintaining an independent, objective and adequately resourced internal audit function in supporting its oversight responsibilities.

The Group's in-house 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. The IAD also conducts investigative audits where instances of misconduct, fraud, dishonesty or other irregularities are reported.

The IAD adopts a risk-based audit methodology in carrying out its audits, with emphasis placed on high-risk areas across the Group's operations. All principal risk areas within each auditable function are reviewed on a cyclical basis, with high-risk activities being audited annually.

The scope of the internal audit function encompasses all major operating units, departments and subsidiaries within the Group in accordance with the approved Internal Audit Plan. Audit findings, recommendations and agreed management action plans are communicated to the respective process owners for implementation within agreed timelines. The Head of the IAD presents the internal audit reports and follow-up status to the AC on a quarterly basis.

During the financial year ended 31 March 2026, the total cost incurred for maintaining the internal audit function, comprising staff salaries and benefits, training, travelling and other incidental expenses, amounted to approximately RM243,000 (2025: RM276,000).

This Report is made in accordance with a resolution of the Board dated 30 July 2026.

Overview

The Board of Directors ("Board") of Asia File Corporation Bhd. ("Company") and its subsidiaries ("Group") is pleased to present this Statement on Risk Management and Internal Control ("Statement") for the financial year ended 31 March 2026.

This Statement is prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), and is guided by Principle B of the Malaysian Code on Corporate Governance 2021 ("MCCG") and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies ("SORMIC Guide 2025").

This Statement excludes the associated company, as its system of internal control is managed by its respective management team.

Board's Responsibility

The Board affirms its overall responsibility for maintaining a sound and effective risk management and internal control system for the Group. This includes establishing an appropriate control environment and framework, as well as reviewing its adequacy and effectiveness on an ongoing basis.

The Board recognises that a well-designed internal control system supports the achievement of the Group's strategic objectives, safeguards shareholders' interests, and contributes to long-term value creation. However, such systems are designed to manage rather than eliminate risks. Accordingly, they can only provide reasonable, but not absolute, assurance against material misstatement, financial loss, or fraud.

The Board is supported by the Audit Committee ("AC") in overseeing the adequacy and effectiveness of the Group's risk management and internal control systems. The AC reviews the adequacy of the risk management and internal control framework, considers and approves the Internal Audit Plan ("IAP") prepared by the Internal Audit Department ("IAD"), and reviews quarterly internal audit reports. These reports include Management's action plans to address identified control weaknesses and the status of implementation. The AC also reviews significant findings raised by the External Auditors arising from their audit work.

Risk Management Framework and Processes

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

An Enterprise Risk Management ("ERM") Framework has been established to support a structured approach to risk management and to ensure that risks are appropriately identified and managed so as not to impede the achievement of the Group's strategic and operational objectives. The ERM Framework sets out key principles, risk assessment methodologies, and defined roles and responsibilities across the Group.

The Group does not adopt a single external risk management standard, as it considers a tailored approach more appropriate to its operating environment and risk profile, thereby ensuring practical and relevant application of risk management practices.

Risk management responsibility resides at all levels within the Group. Principal risks are identified and assessed through ongoing business operations and periodic management reviews. Key operational risks, including inventory management, trade receivables and credit risk, production and operational efficiency, foreign exchange exposure, occupational health and safety, regulatory compliance, and product quality, are managed through established policies, standard operating procedures, monitoring activities and internal controls.

Strategic risks, including business sustainability, supply chain disruptions, business expansion, product diversification, regulatory changes, cybersecurity and data protection, as well as emerging environmental and sustainability-related considerations, are overseen by the senior management of the respective operating units.

The Group has adopted the Guidelines on Adequate Procedures pursuant to Section 17A of 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 implemented an Anti-Bribery and Anti-Corruption ("ABAC") framework, 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 available on the Company's website at https://www.asia-file.com/ir.html. The ABAC framework has been communicated to all subsidiaries for adoption, subject to local regulatory requirements and business environments.

Risk Governance Structure

To support an effective risk management process, the Group has adopted the Three Lines Model to clarify roles and responsibilities:

a) **First Line – Business Operations and Management**
Responsible for day-to-day risk management, identification of risks and implementation of internal controls within their respective areas of responsibility.

b) **Second Line – Risk Oversight and Control Functions**
Responsible for providing oversight, guidance, monitoring and review of risk management practices, internal controls and compliance requirements.

c) **Third Line – Internal Audit Function**
Provides independent and objective assurance on the adequacy and effectiveness of the Group's risk management and internal control systems.

Internal Control Structure and Processes

The principal features of the Group's internal control system are summarised as follows:

a) **Authority and responsibility**
A clearly defined organisational structure with documented roles and responsibilities, including approval and authorisation limits across key business activities.

b) **Policies and procedures**
Documented policies and procedures are maintained across business units, where applicable, to support the provision of reliable information, proper record keeping, and compliance with applicable laws, regulations, and internal policies.

c) **Performance management**
Regular management and operational meetings are held to review performance, key risks, and financial results.

d) Audits
Internal audits are conducted in accordance with the approved audit plan and reviewed by the AC, focusing on compliance and the integrity of financial and operational processes. External audits are conducted annually in accordance with the approved audit scope and are reported to the AC.

e) Employee competency and awareness
Training programmes and relevant guidelines are provided to ensure employees are competent in carrying out their responsibilities. Employees are also required to adhere to established standards of business ethics.

f) Information security and cybersecurity
The Group continues to maintain and enhance its information security practices to safeguard critical information and systems.

g) Sustainability considerations
The Group has taken initial steps to strengthen its environmental, social and governance ("ESG") practices. These include ongoing efforts to improve energy efficiency, reduce emissions, and enhance awareness of sustainability-related matters. The Group recognises that ESG practices are evolving and will continue to be developed progressively in line with business needs and emerging reporting expectations.

Internal Audit Function

The Internal Audit Department ("IAD") is an in-house function that provides independent and objective assurance on the adequacy and effectiveness of governance, risk management, and internal control systems established by Management and the Board. The IAD reports directly to the AC.

The AC reviews annually the adequacy of the scope, functions and resources of the IAD to ensure that it is able to discharge its responsibilities effectively.

The IAD is headed by Ms Lim Hooi Cheng, who possesses extensive knowledge of the Group's operations. She holds a Master in Business Administration ("MBA") from Universiti Utara Malaysia and is a member of the Malaysian Institute of Accountants ("MIA"). All internal audit personnel were independent of the activities audited and free from any conflicts of interest during the financial year under review.

A risk-based Internal Audit Plan ("IAP") covering audit scope, timeline, and audit universe for the period from 1 April 2025 to 31 March 2026 was approved by the AC on 27 February 2025.

Internal audits are conducted across departments and operating units, with frequency determined based on assessed risk levels. The audit scope also includes special reviews and ad-hoc investigative assignments as requested by the Management.

During the financial year under review, the IAD conducted audits covering the following areas:

- Consumer and Food Ware division operational controls review
- Finance and accounting management
- Health and safety management systems
- Inventory management
- Legal and regulatory compliance
- Paper mill operational controls review
- Quality management systems
- Sales controls review
- Security controls review
- Waste management

Audits are carried out in accordance with detailed audit programmes tailored to each audit area. The IAP is developed based on a risk-based approach, supported by departmental risk registers that identify key risks, control measures, and mitigation actions. These are aligned with the ERM Framework and are reviewed periodically to reflect changes in the risk environment.

Upon completion of each audit, draft findings are issued to Management for response and corrective action planning. Management is required to respond within an agreed timeframe and submit a Corrective and Preventive Action Plan (“CPAP”). Meetings are held to discuss audit findings and agree on implementation timelines.

A follow-up process is in place to monitor the implementation of CPAP actions. Where necessary, follow-up reviews or re-audits are performed based on the severity of findings. The IAD may also conduct investigations into suspected fraud, misconduct, or misuse of Group assets, where required.

Where appropriate, the IAD provides training on control improvements to support effective implementation across the Group. Internal audit observations, together with Management responses, are reported to the AC on a quarterly basis. The AC also reviews the progress of corrective actions.

Although certain control weaknesses were identified during the financial year, none resulted in material financial loss, contingencies, or uncertainties requiring disclosure in the Group’s annual report.

Assurance

The Board has received assurance from the Executive Chairman and the Chief Financial Officer that the Group’s risk management and internal control system operated adequately and effectively throughout the financial year.

Based on this assurance, together with input from the IAD and feedback from the External Auditors, the Board is of the view that the Group’s risk management and internal control system has operated adequately and effectively in all material aspects during the financial year and up to the date of this Statement.

The system has not resulted in any material financial or non-financial losses or contingencies requiring disclosure.

Review of this Statement by the External Auditors

Pursuant to Paragraph 15.23 of the MMLR, the External Auditors have reviewed this Statement on Risk Management and Internal Control. The limited assurance review was conducted in accordance with ISAE 3000 (Revised) and Audit and Assurance Practice Guide 3 (“AAPG 3”).

AAPG 3 does not require the External Auditors to express an opinion on the adequacy and effectiveness of the Group’s risk management and internal control systems.

Based on their review, the External Auditors reported that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with Section 7 of the SORMIC Guide 2025, nor is it factually inaccurate.

Conclusion

The Board remains committed to continuously enhancing the Group’s risk management and internal control framework, taking into account evolving regulatory expectations, business complexity, and emerging risks, in support of sustainable long-term growth.

This Statement is made in accordance with a resolution of the Board dated 30 July 2026.

Overview

Asia File Corporation Bhd and its subsidiaries (the "Group") prioritise not only operational profitability, but also the effective management of economic, environmental and social risks and opportunities to support long-term business sustainability. We believe that sustainability initiatives can contribute not only to positive social and environmental outcomes, but also to the Group's overall resilience and long-term success.

This Sustainability Statement ("Statement") provides an overview of the Group's sustainability strategies, action plans and key initiatives undertaken during the financial year, as well as the progress achieved and the positive impact of these efforts on the Group's business operations, the environment and the communities in which it operates.

This Statement is prepared in accordance with the requirements of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") relating to the Sustainability Statement in the annual reports of listed issuers. The Group's associated company is excluded from the scope of this Statement unless otherwise stated.

Reporting Scope and Boundary

This Statement covers the Group's sustainability performance and progress for the financial year from 1 April 2025 to 31 March 2026, unless otherwise stated. Where relevant, three-year comparative data is disclosed to facilitate trend analysis and performance assessment.

The scope of this Statement includes the Group's principal operating subsidiaries located in Malaysia, the United Kingdom and Germany, as set out below.

Division	Entities	Country
Manufacturing	• Asia File Products Sdn. Bhd. • AFP Composite Sdn. Bhd. • Supportive Technology Sdn. Bhd. • Plastoreg Smidt GmbH • Plastoreg Eastlight Limited • Premier Stationery Limited	• Malaysia • Malaysia • Malaysia • Germany • United Kingdom • United Kingdom
Marketing	• ABBA Marketing Sdn. Bhd.	• Malaysia
Paper Mill	• Higher Kings Mill Limited	• United Kingdom

Reporting Frameworks and Standards

This Statement has been prepared in accordance with the MMLR of Bursa Malaysia, with reference to Bursa Malaysia's Sustainability Reporting Guide (3rd Edition) and the accompanying toolkits.

The Group is monitoring developments relating to the IFRS Sustainability Disclosure Standards, including IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures, and is assessing their potential implications for future reporting.

This Statement should be read together with other sections of the Annual Report, including the Management Discussion and Analysis, Corporate Governance Overview Statement, Statement on Risk Management and Internal Control, and Corporate Governance Report, which provide additional context for the Group's sustainability-related governance, risks, opportunities and performance.

The material sustainability data disclosed in this Statement has been submitted through Bursa Malaysia's Centralised Sustainability Intelligence ("CSI") Solution and is presented in the Appendix to this Statement.

Assurance

The sustainability information disclosed in this Statement has not been subject to external assurance by an independent third party. Nevertheless, the Group has established internal review processes in relation to the relevant policies, procedures and performance data presented in this Statement, with the aim of enhancing the reliability and consistency of the disclosures over time.

Forward-looking Statements

This Statement may contain forward-looking statements relating to the Group's strategies, targets, plans and initiatives. Such statements are based on current expectations, assumptions and information available as at the reporting date and are subject to risks, uncertainties and other factors, some of which may be beyond the Group's control. Actual results may differ materially from those expressed or implied in these forward-looking statements.

Feedback

We welcome feedback from our stakeholders on this Statement, the sustainability matters discussed, and areas for future improvement. Feedback may be directed to investor_relation@asia-file.com.

Membership in Associations and Organisations

The Group is a member of the following associations and organisations:

- Federation of Malaysian Manufacturers ("FMM")
- Penang Paper & Stationer Association
- Penang Chinese Chamber of Commerce
- Penang Importers & Exporters Association
- The Timber Exporters' Association of Malaysia ("TEAM")
- The Supplier Ethical Data Exchange ("SEDEX")
- Forest Stewardship Council ("FSC")
- The Programme for the Endorsement of Forest Certification ("PEFC")
- The Blue Angel, Germany

Governance Structure

The Board has established a governance structure to support the oversight and management of sustainability-related matters across the Group's operations. Sustainability governance is led by the Board and supported by the Sustainability Working Group ("SWG"), which comprises the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), senior management and departmental heads.

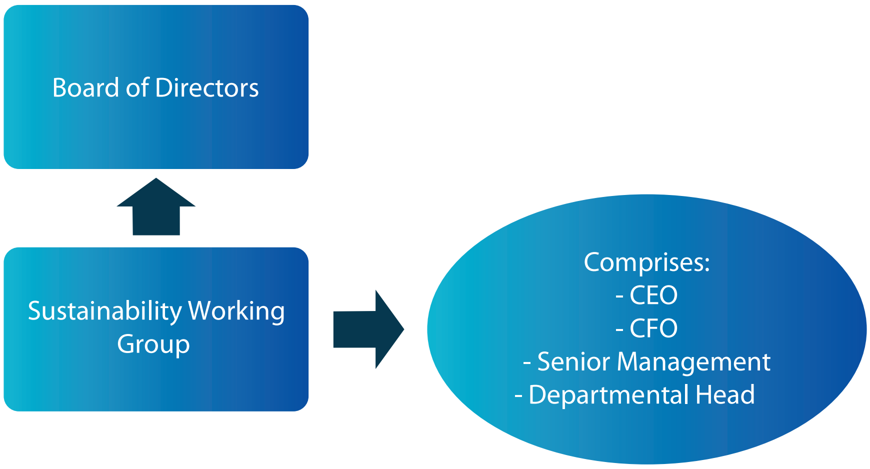
The Board is responsible for overseeing sustainability-related matters across the Group and for promoting the integration of sustainability considerations into the Group's business strategies and operations. The Board receives updates from management on material sustainability matters and considers relevant economic, environmental and social ("EES") factors in the development of the Group's strategic direction and operational plans.

The SWG supports the Board by coordinating sustainability-related initiatives, identifying material sustainability matters, and facilitating the implementation of sustainability strategies across the Group. The CFO assists the CEO in formulating the Group's sustainability strategies, plans and priorities based on the material sustainability matters identified. The SWG also escalates significant sustainability-related matters to the Board for consideration, where appropriate.

Senior management and departmental heads are responsible for implementing sustainability initiatives within their respective operational units and for supporting the achievement of the Group's sustainability objectives.

The Internal Audit Department ("IAD") conducts periodic reviews of relevant processes and controls to assess compliance with established policies and procedures, including those relating to sustainability practices, where applicable.

Reporting Structure



Sustainability Strategy

Our sustainability framework is guided by the management of Economic, Environmental and Social ("EES") risks and opportunities, and is supported by the Group's corporate governance framework and corporate social responsibility initiatives.

The Group believes that sound corporate governance, environmentally responsible practices and appropriate social policies contribute to sustainable business growth and the creation of long-term value for stakeholders.

The Group is committed to contributing towards a more sustainable future through the progressive implementation of strategies and initiatives that support the social, economic and environmental well-being of the communities in which we operate, while seeking to deliver sustainable value to our stakeholders.

Strategic risks, including those relating to business sustainability, supply chain disruptions, business expansion, product diversification, regulatory changes, cybersecurity and data protection, as well as emerging environmental and sustainability-related matters, are overseen by the senior management of the respective operating units.

During the financial year, the Group continued its efforts to strengthen its environmental, social and governance ("ESG") practices. These efforts included initiatives aimed at improving energy efficiency, reducing greenhouse gas emissions and enhancing internal awareness of sustainability-related matters. The Group recognises that ESG practices and disclosure requirements are evolving and will continue to develop its approach progressively in line with business needs, available resources, and emerging regulatory and reporting expectations.

Stakeholder Engagement

The Group recognises the important role that stakeholders play in the success and sustainability of its business. We seek to understand and respond appropriately to stakeholders' interests, expectations and concerns through regular communication and engagement.

The table below summarises the Group's key stakeholder groups, their principal areas of interest, the engagement methods adopted, and the frequency of engagement.

No	Stakeholders	Area of Interest and Concerns	Type of Engagement	Frequency
1	Shareholders / Investors	• Business performance and strategic direction • Profitability and dividends • Good EES practices • Maximisation of shareholder value • Sustainability agenda	• Annual General Meetings • Annual Reports • Bursa Malaysia announcements • Corporate website • Regular communication with analysts and shareholders • Press releases	• Annually • Quarterly • As required
2	Employees	• Equal opportunities • Training and career development • Occupational safety and health • Remuneration and benefits • Work-life balance and job satisfaction	• Performance appraisals and employee recognition programmes • Employee engagement and communication sessions • Regular safety inspections • Team-building activities	• Annually • Quarterly • Monthly • Ongoing
3	Government / Regulatory Authorities	• Legal and regulatory compliance	• Industry seminars and focus group discussions • Periodic visits and inspections • Submission of reports required under applicable regulations	• Annually • Monthly • Ongoing
4	Customers	• Quality of products and services • Good EES practices • Competitive pricing • Timely delivery	• Customer feedback • Regular customer engagement • Interaction through social media channels (e.g. TikTok, Facebook and Instagram) and live chat on e-commerce platforms • Periodic customer visits and audits	• Annually • Ongoing

No	Stakeholders	Area of Interest and Concerns	Type of Engagement	Frequency
5	Suppliers	• Compliance with the Supplier Code of Conduct • Fair pricing • Quality of goods and services • Sustainable and consistent supply	• Supplier assessments • Supplier engagement sessions and meetings • Supplier visits	• Annually • Ongoing
6	Community	• Environmental protection • Community well-being	• CSR programmes and community engagement activities • Sponsorships and donations • Employment opportunities	• Ongoing

Material Matters

Our Approach to Materiality Assessment

The Group's materiality assessment process consists of three (3) distinct phases, as illustrated in the chart below.

Identification

Identify the key stakeholders and understand their needs, expectations and concerns pertaining to sustainability related impacts.

Derive preliminary list of sustainability matters.

Prioritisation

Apply materiality concept and undertake stakeholder engagement in prioritisation.

Disclose prioritised material sustainability matter in a manner which illustrates the relative importance of each matter.

Review and validation

Review the process and outcome of the materiality assessment carried out by the SWG.

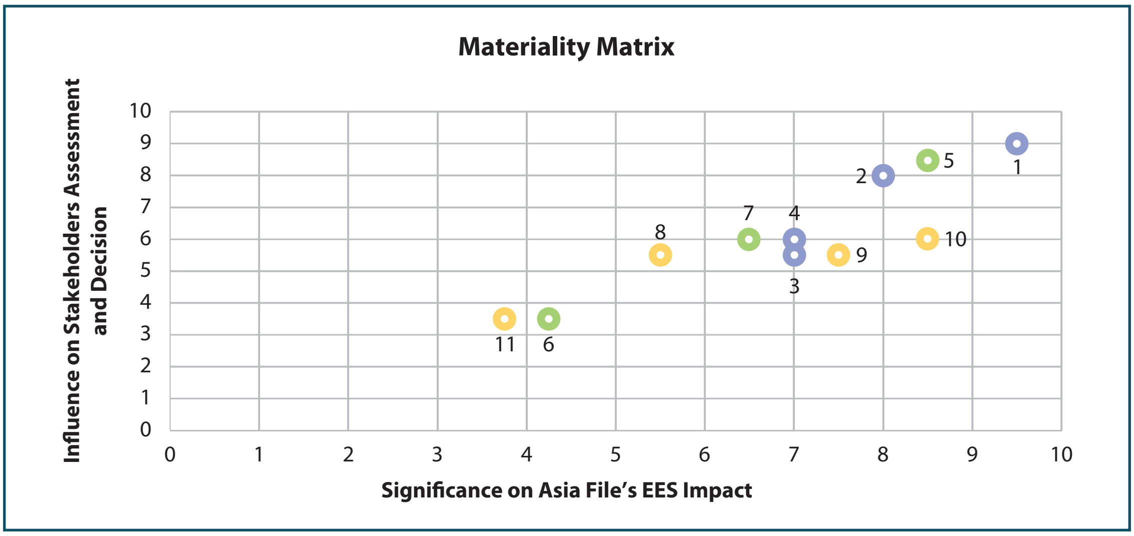
Our Materiality Matrix

The Group conducted a materiality assessment involving key stakeholders to identify and prioritise sustainability matters that are relevant to the Group's operations and stakeholders. This process enables the Group to better understand and address sustainability-related risks and opportunities in a timely and structured manner.

To prioritise the identified sustainability matters, the Group applied a scoring scale ranging from 1 to 10, based on the level of importance, where 10 represents the highest level of importance and 1 represents the lowest level of importance.

During the financial year under review, a total of eleven (11) material sustainability matters were identified. These matters are categorised under three (3) sustainability pillars, namely Economic, Environmental and Social.

Economic	Environment	Social
1. Business Performance and Continuity 2. Corporate Governance and Ethics 3. Supply Chain Management 4. Data Protection and Privacy	5. Energy and Emissions Management 6. Water Management 7. Waste Management	8. Employee Diversity and Equal Opportunity 9. Labour Practices and Standards 10. Occupational Safety and Health 11. Local Communities / Society



Sustainability-Related Risks and Opportunities

The Group recognises that sustainability-related risks and opportunities may affect its business operations, supply chain resilience and long-term value creation. The Group continues to monitor relevant economic, environmental and social matters and progressively enhances its practices in line with business needs and stakeholder expectations.

Sustainability Matter	Key Risks	Opportunities
Business Performance and Continuity	Changes in market conditions, economic uncertainties and operational disruptions may affect business performance and continuity.	Strengthen operational efficiency, improve business resilience and explore opportunities for sustainable growth.
Corporate Governance and Ethics	Failure to comply with applicable laws, regulations or ethical standards may affect reputation and stakeholder confidence.	Strengthen governance practices, enhance transparency and maintain stakeholder trust.

Sustainability Matter	Key Risks	Opportunities
Supply Chain Management	Supply disruptions, raw material availability and cost fluctuations may affect production continuity and customer commitments.	Develop resilient supply chains, strengthen supplier relationships and promote responsible sourcing practices.
Energy and Emissions Management	Rising energy costs and increasing expectations on emissions reduction may increase operational costs and compliance requirements.	Improve energy efficiency, reduce emissions and enhance operational cost management.
Data Protection and Privacy	Cybersecurity threats and data breaches may disrupt operations and affect stakeholder confidence.	Enhance data protection controls, cybersecurity awareness and information management practices.
Employee Management and Workplace Practices	Challenges in attracting, retaining and developing employees may affect productivity and operational capability.	Strengthen employee development, improve workplace practices and enhance employee engagement.
Occupational Safety and Health	Workplace incidents may impact employee well-being, operational continuity and reputation.	Promote a safe working environment and strengthen safety awareness and practices.
Environmental Management	Inefficient resource utilisation and waste management practices may increase costs and environmental impact.	Improve resource efficiency, enhance waste management practices and support environmental sustainability.
Community Engagement	Limited engagement with local communities may affect stakeholder relationships.	Strengthen community relationships through CSR activities and local engagement initiatives.

Economic

Economic sustainability involves practices that support long-term economic growth while taking into consideration the social, environmental and community impacts of business activities. At the core of our approach is the belief that sustainable business practices contribute to enduring economic success.

We recognise the importance of integrating sustainability considerations into our business strategy through effective cost management, economies of scale and continuous innovation, with the aim of delivering sustainable long-term performance.

Businesses that adopt sustainable practices are generally better positioned for long-term resilience and value creation, while contributing positively to society. In line with this approach, the Group's business units are committed to practices that support sustainable economic growth. We recognise that long-term success depends not only on pursuing new business opportunities, but also on maintaining strong and trusted relationships with key stakeholders, including customers, employees, suppliers, shareholders and regulators.

1. Business Performance and Continuity

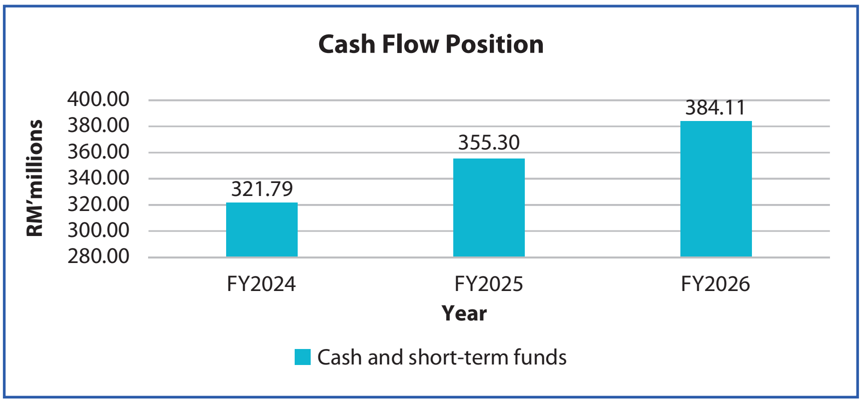
Financial Resilience and Stability

Business performance is not solely a measure of financial success; it also reflects an organisation's resilience, adaptability and ability to respond to evolving market conditions and operational challenges.

The Group recognises the importance of maintaining sound economic performance to support long-term business sustainability. We continue to practise prudent financial management in order to maintain a healthy balance sheet and cash flow position, thereby supporting the Group's financial resilience.

The Group maintained a healthy cash flow position and remained free from bank borrowings during the financial year under review. Net cash generated from operating activities amounted to RM31.91 million. As at 31 March 2026, the Group's total cash and cash equivalents, including short-term funds, stood at RM384.11 million, representing an increase of 8.11% compared with the previous financial year.

The Group's strong financial position provides a solid foundation to support future business expansion and growth opportunities.



Product Diversification and Innovation

The Group has continued to adapt to the changing business environment through strategic product diversification. Through ongoing efforts to enhance operational performance, the Group seeks to achieve sustainable profitability by pursuing new business opportunities, identifying emerging market trends and continuously improving operational efficiency and capabilities.

As part of its long-term sustainability strategy, the Group has expanded into the Industrial, Consumer and Food Ware segments under its flagship brand, "ABBAware". In response to the structural decline in demand for traditional filing products arising from increasing digitalisation, the Group has progressively broadened its product portfolio to capture new growth opportunities. Building on the successful introduction of packaging film in the previous financial year, the Group continued to expand its Industrial, Consumer and Food Ware product range through product development initiatives and targeted brand-building efforts. During the financial year, the Group also launched a laundry basket series, further expanding its storage product offerings and reinforcing the brand's reputation for reliability among consumers.

Digital Transformation and E-Commerce Growth

ABBAware has also strengthened its digital marketing approach through the use of short-form video content and interactive engagement on social media platforms. These initiatives have enhanced brand visibility and consumer engagement. The Group has further strengthened its digital presence by responding promptly to customer enquiries and feedback across social media channels, reflecting its commitment to customer service and transparency.

Through these targeted social media initiatives, the Group has increased brand awareness, promoted product features and cultivated a growing community of online consumers, as reflected in the increase in online followers and customer ratings. By leveraging interactive content, influencer collaborations and engaging brand communication, ABBAware has strengthened its connection with a growing audience base and further enhanced its presence in the digital marketplace.

Since the launch of the Group's online store in December 2021, ABBAware has gained more than 129,000 followers and received over 180,000 positive customer ratings across its online platforms. These results reflect encouraging customer response to the Group's product quality, customer service and pricing strategy.

During the financial year, the Group collaborated with Key Opinion Leaders ("KOLs") and Key Opinion Consumers ("KOCs") through social commerce campaigns to enhance product awareness and customer engagement. Selected digital content achieved significant reach, with some videos recording viewership of over one million views.

The Group remains committed to strengthening its e-commerce presence in both domestic and international markets and to remaining agile in responding to changing consumer preferences and market conditions.

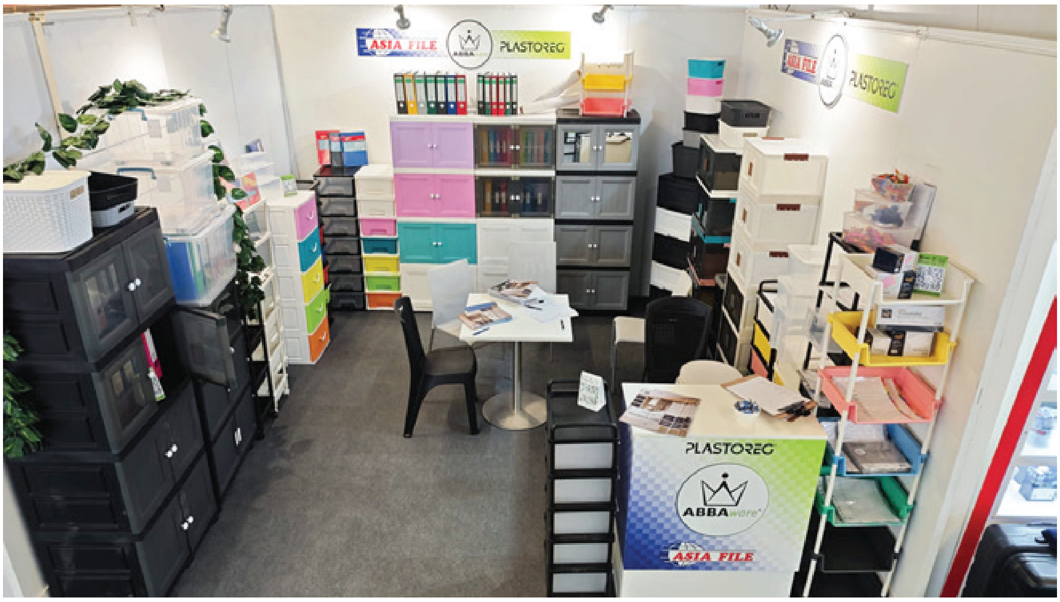
Market Presence and Industry Engagement

During the financial year, the Group participated in several trade fairs and exhibitions across different regions as part of its efforts to strengthen market presence, engage with customers and distributors, and explore new business opportunities.

Participation in these exhibitions enabled the Group to showcase its product offerings, strengthen relationships with existing customers, and engage with potential customers and business partners from various markets. The exhibitions also provided opportunities to gain insights into evolving customer preferences, industry trends and market developments, which support the Group's ongoing product development and business expansion efforts.

Paperworld Middle East 2025 (Dubai, UAE)

January Furniture Show 2026 (Birmingham, United Kingdom)



Ambiente Frankfurt 2026 (Frankfurt, Germany)

Malaysian International Furniture Fair 2026 (Kuala Lumpur, Malaysia)

Customer and Strategic Partnership Recognition

Our subsidiary, ABBA Marketing Sdn. Bhd., was honoured with the "Giant Business Partner of the Year 2025 - Long-Term Partnership Excellence" award organised by GCH Retail (Malaysia) Sdn. Bhd. This recognition reflects the strong collaboration between ABBA Marketing and its retail partner, as well as the Group's continued efforts in delivering quality products, reliable service and value to customers.

Giant's Business Partner Awards 2025

2. Corporate Governance and Ethics

At Asia File, we are committed to conducting our business in a fair, transparent and ethical manner. In addition to complying with applicable laws and regulations, we strive to uphold high standards of integrity across all aspects of our operations and business relationships. This commitment is reflected in our Code of Ethics and Conduct, which requires all employees to demonstrate honesty, fairness, accountability and integrity in the performance of their duties.

To reinforce our ethical framework, the Board has adopted an Anti-Bribery and Anti-Corruption ("ABAC") Policy. The policy establishes principles and controls to identify, prevent and mitigate bribery and corruption risks. Directors and employees are prohibited from offering or accepting gifts, hospitality or other benefits that could improperly influence business decisions, except for customary tokens of modest value exchanged during festive or special occasions in accordance with the policy. These measures help to prevent conflicts of interest and promote ethical decision-making.

The Board has also established a Whistleblowing Policy, which provides a formal mechanism for employees and other stakeholders to report genuine concerns relating to unethical, unlawful or improper conduct. The policy outlines the reporting channels and procedures, and includes safeguards to protect whistleblowers from retaliation when reports are made in good faith.

Our Code of Ethics and Conduct, ABAC Policy and Whistleblowing Policy are available on the Company's website at www.asia-file.com/ir.html.

New employees receive induction training on their first day of employment, covering the Employee Handbook, Code of Ethics and Conduct, ABAC Policy, Whistleblowing Policy, health and safety requirements, and other security-related protocols. Refresher training on the ABAC and Whistleblowing policies is also provided periodically to employees who regularly interact with vendors, customers or other external parties, to reinforce ongoing compliance and awareness.

To further strengthen awareness and understanding of anti-bribery and anti-corruption requirements, mandatory annual training is provided to employees in targeted departments whose roles involve regular interaction with vendors, customers, government agencies or other external parties.

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

	FY2024	FY2025	FY2026
Manager and above	100%	100%	100%
Executive	71%	84%	86%
Non-Executive	31%	33%	34%

In FY2026, the Group conducted corruption risk assessments across 100% of its operations, covering all eight (8) principal operating entities within the Group's sustainability reporting boundary. There were no confirmed incidents of corruption during the financial year.

	FY2024	FY2025	FY2026
Percentage of operations assessed for corruption-related risks	100%	100%	100%
Number of confirmed incidents of corruption	-	-	-

3. Supply Chain Management

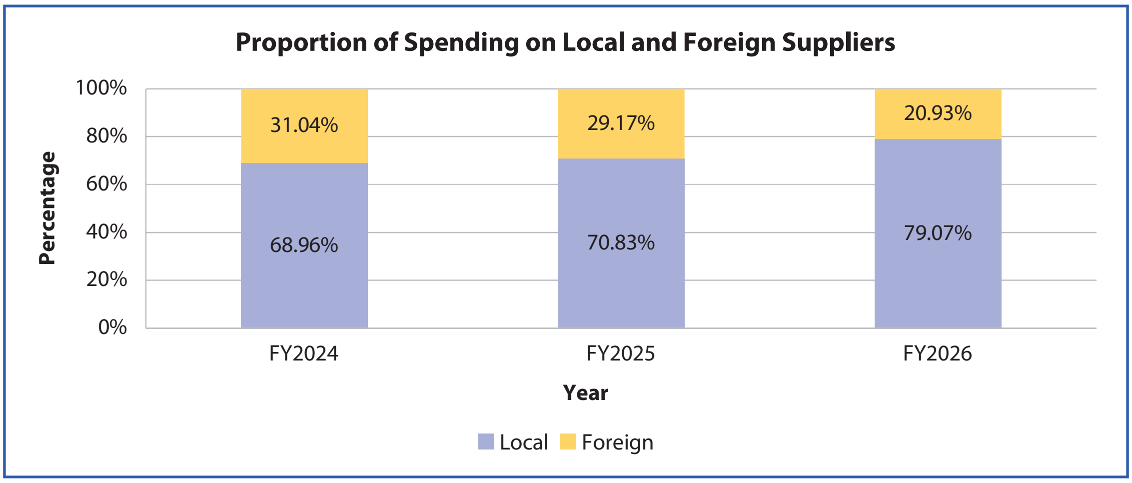
The Group recognises the importance of maintaining a resilient and sustainable supply chain to support its operations and meet customer requirements. To enhance supply continuity, the Group implements various risk mitigation measures, including identifying alternative sources of supply, evaluating suitable material substitutions, and maintaining regular engagement with key suppliers. In addition, production schedules are planned in advance and inventory levels are reviewed regularly to enable timely responses to potential supply disruptions.

The Group is committed to supporting local suppliers as part of its broader efforts to promote sustainable business practices and contribute to the economic development of the communities in which we operate. During FY2026, approximately 79.07% of the Group's total purchases (based on purchase value) were sourced from local suppliers, reflecting our continued emphasis on developing long-term supplier relationships and strengthening local supply networks.

The Group will continue to prioritise local sourcing where practicable and commercially viable, while ensuring that suppliers meet our requirements for quality, reliability and cost competitiveness.

	FY2024	FY2025	FY2026
Local supplier	68.96%	70.83%	79.07%
Foreign supplier	31.04%	29.17%	20.93%

Note: Local suppliers refer to suppliers located in the same country as the respective operating entity. Figures for FY2024 and FY2025 were refined following internal housekeeping and data validation processes.



4. Data Protection and Privacy

The Group recognises the importance of safeguarding information security and protecting the confidentiality, integrity and availability of data generated, collected and managed in the course of our operations. We are committed to protecting the privacy and personal data of our customers, suppliers and employees, and ensuring that information is handled appropriately and in accordance with applicable requirements.

With the increasing prevalence of cybersecurity threats, the Group continues to strengthen its approach towards managing information security risks. We have implemented various measures to enhance the protection of our information assets and support business continuity, including:

- Establishing information security policies and procedures covering network protection, system updates, data backup and recovery arrangements;

- Implementing technology safeguards, including firewalls, anti-virus protection and other security controls to strengthen the protection of our systems and data;
- Conducting periodic reviews and assessments of information security risks where appropriate;
- Enhancing employee awareness on cybersecurity risks, responsible data handling and the importance of maintaining information confidentiality; and
- Performing periodic off-site data backups and conducting annual disaster recovery simulations to validate business continuity preparedness.

As at 31 March 2026, the Group recorded no substantiated complaints relating to breaches of customer privacy or loss of customer data. The Group remains committed to continuously monitoring cybersecurity risks and enhancing its information security practices to support the protection of stakeholder information.

	FY2024	FY2025	FY2026
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-	-

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 Emissions Management

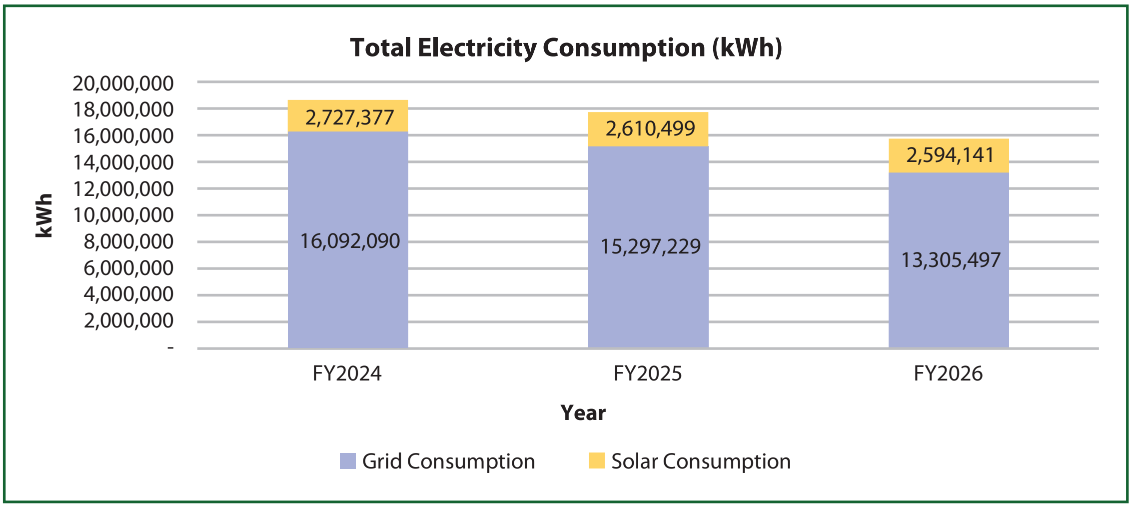
Climate change remains a significant global challenge, presenting both transition risks, including policy, regulatory, technological, market and reputational risks, as well as physical risks that may affect communities, businesses and ecosystems. The Group recognises the importance of managing energy consumption and greenhouse gas ("GHG") emissions as part of our efforts to support environmental sustainability and long-term business resilience.

We continue to explore opportunities to improve energy efficiency, increase the use of renewable energy and reduce GHG emissions arising from our operations. These efforts support our commitment to responsible resource management and contribute towards addressing climate-related challenges.

As part of our ongoing initiatives to reduce GHG emissions, the Group commenced the installation of solar photovoltaic ("PV") systems in FY2019 to harness renewable energy from sunlight. To date, we have invested approximately RM7.05 million in solar PV installation projects across our major manufacturing sites in Malaysia and our paper mill in the United Kingdom.

During FY2026, these solar PV systems generated approximately 2.59 million kWh of electricity, contributing approximately 16.32% of the Group's total electricity consumption for the financial year.

Over the three-year period from FY2024 to FY2026, the Group's solar PV installations contributed to cumulative GHG emissions avoidance of approximately 5,551 tCO_2e, reflecting the contribution of renewable energy adoption towards reducing reliance on conventional electricity sources.



In addition, the Group continues to implement initiatives to enhance energy efficiency and manage GHG emissions, including:

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

Climate-related Commitment

Management has established a target for our paper mill plant located in the United Kingdom to achieve net carbon neutrality by 2050. This target aligns with the United Kingdom Government's ambition to achieve net zero greenhouse gas emissions by 2050 under the Climate Change Act 2008. The paper mill continues to evaluate and implement initiatives to support this long-term objective.

Greenhouse Gas ("GHG") Emissions Performance

The Group applies reporting-year-specific greenhouse gas ("GHG") emission factors published by the CSI Platform and, where applicable, adopts emission factors from other relevant authorities or recognised sources. Comparative information is presented using the emission factors and methodology applicable to the respective reporting year, unless a material restatement is required to improve comparability.

Direct – Scope 1 GHG Emissions

	FY2024	FY2025	FY2026
Fuel consumption (liter)	295,090	309,012	280,605
Heating oil consumption (liter)	31,568	35,565	38,546
LPG gas consumption (liter)	53,675	39,991	33,121
Scope 1 GHG emission (tCO2e)	**940**	**967**	**890**

Note:
1. Scope 1 GHG emissions refer to direct emissions arising from the consumption of petrol and diesel by company vehicles, heating oil used by our overseas subsidiaries for energy purposes, and LPG consumed by forklifts. Emissions were calculated based on actual consumption data and the applicable reporting-year-specific emission factors. The conversion factors have been restated to reflect the latest emission factors published by the CSI Platform.
2. Fuel consumption decreased during FY2026, mainly due to lower delivery volumes of goods to customers. The fluctuation in heating oil consumption was mainly attributable to weather conditions affecting our overseas subsidiaries, while LPG consumption decreased following the replacement of certain LPG-powered forklifts with electric models.

Indirect – Scope 2 GHG Emissions

	FY2024	FY2025	FY2026
Grid electricity consumption (kWh)	16,092,090	15,297,229	13,305,497
Gas consumption (kWh)	23,543,580	24,907,221	20,845,277
Scope 2 GHG emission (tCO2e)	**11,823**	**11,533**	**10,036**

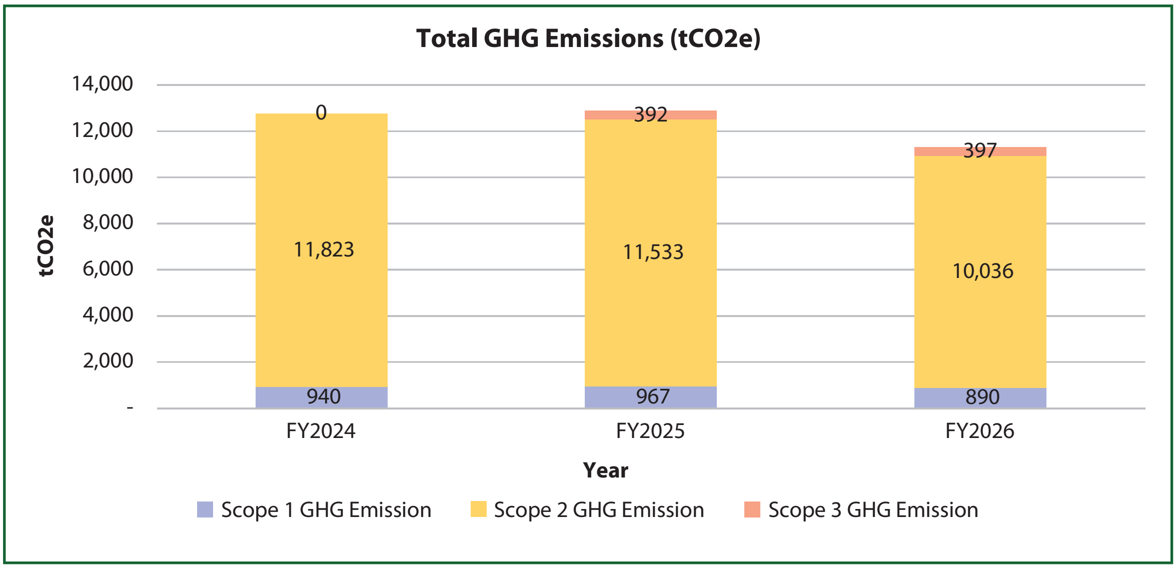
Note:
1. Scope 2 GHG emissions refer to indirect emissions arising from purchased electricity and gas consumption. Energy consumption data was compiled based on monthly utility bills. The conversion factors have been restated to reflect the latest emission factors published by the CSI Platform and, where applicable, other relevant authorities or recognised sources.
2. The decrease in grid electricity consumption was attributable to lower production volumes and a higher proportion of solar photovoltaic ("PV") energy generation. The fluctuation in gas consumption was mainly due to weather conditions at our subsidiaries in the United Kingdom and Germany.

Indirect – Scope 3 GHG Emissions

	FY2024	FY2025	FY2026
Employee commuting (km)	N/A	2,589,054	2,237,837
Business travel (km)	N/A	169,247	263,611
Scope 3 GHG emission (tCO2e)	**N/A**	**392**	**397**

Note:
1. FY2026 marks the Group's second year of compiling Scope 3 GHG emissions data. Therefore, FY2024 data was not available for comparison.
2. Scope 3 GHG emissions comprise selected indirect emissions arising from activities not included under Scope 1 and Scope 2. For FY2026, the Group reported emissions from employee commuting and business travel. The data was compiled using a distance-based approach, taking into consideration the mode of transportation. The conversion factors applied were based on the latest available emission factors published by relevant authorities or other recognised sources.
3. During FY2026, emissions from employee commuting decreased, due to a lower number of employees. This reduction was partially offset by an increase in emissions from business travel, mainly due to increased overseas travel undertaken by the sales team to explore business opportunities and strengthen customer engagement.

The Group continues to assess the relevance of other Scope 3 emission categories and will progressively enhance the coverage and quality of Scope 3 data collection where practicable.



6. Water Management

Access to clean and safe water is essential for sustaining life and supporting communities. However, water scarcity remains a growing global concern, with climate change contributing to increasing pressure on water resources in many regions. Although the Group's operations are not currently located in water-stressed areas, we recognise the importance of responsible water management and remain committed to conserving water resources and promoting efficient water usage across our operations.

The Group's water supply is sourced from established water utility providers with reliable distribution infrastructure. In managing water discharge, the Group ensures that wastewater generated from operations is handled responsibly and is not discharged into oceans, rivers, lakes, natural ponds or wells.

To support effective water management, the Group has implemented various initiatives, including monitoring water consumption, conducting regular inspections of piping systems, water valves and related equipment to identify potential leaks, and implementing measures to reduce unnecessary water usage.

Water consumption is monitored through monthly utility bills. During FY2026, the Group recorded a reduction in water consumption, mainly attributable to lower production volumes and ongoing water efficiency initiatives at the paper mill in the United Kingdom. These initiatives include reducing freshwater usage and improving water efficiency per tonne of paper produced. The paper mill also continues to monitor river levels to better understand water availability in the context of climate change, as well as river health through the assessment of invertebrate life upstream and downstream of the site.

	FY2024	FY2025	FY2026
Water consumption (m3)	176,508	171,677	125,638

7. Waste Management

The Group recognises the importance of effective waste management in reducing environmental impacts, conserving resources and supporting responsible business practices. Through waste reduction, recycling and recovery initiatives, we aim to minimise waste generation and optimise the use of materials across our operations.

To support sustainable waste management practices, the Group has implemented various initiatives, including:

- Installing recycling machines at various plants to process plastic waste for reuse in production, thereby improving material utilisation;
- Promoting recycling practices by reducing the use of externally sourced packaging materials and utilising internally produced packaging materials containing at least 30% recycled components;
- Ensuring that scheduled wastes, such as ink and solvents, are stored safely and disposed of through authorised contractors for appropriate off-site treatment. Non-scheduled waste identified for recycling is channelled to relevant third parties for further recovery;
- Encouraging employees to reduce paper consumption and promoting a paperless work environment through our "Save Paper, Save Trees" initiative;
- Providing recycling bins to facilitate proper waste segregation and disposal; and
- Organising e-waste collection programmes from time to time to encourage employees to dispose of electronic waste responsibly.

During FY2026, the Group recorded a reduction in total waste generated, mainly attributable to changes in operational activities. In addition, the Group's business has progressively shifted towards consumer plastic ware products that utilise recycled resin, contributing to a reduction in recyclable waste generation during production.

	FY2024	FY2025	FY2026
Waste diverted from disposal (mt)	3,128	2,937	1,913
Waste directed to disposal (mt)	783	618	596
Total waste generated (mt)	**3,911**	**3,555**	**2,509**

During the financial year, recyclable materials including old clothes, books, paper, plastic products and electronic devices were collected and donated to Eden Handicap Service Centre Berhad as part of the Group's corporate social responsibility initiatives for the local community. The Group donated a total of 2,146.36 kg of recyclable items, including recyclable drink sachet bags which were used for handmade craft activities.

Social

8. Employee Diversity and Equal Opportunity

Diversity, Equity and Inclusion ("DEI") are fundamental to fostering a workplace where every employee feels respected, valued and empowered to contribute. The Group believes that a diverse workforce, supported by equitable employment practices and an inclusive culture, enhances innovation, strengthens decision-making and supports the long-term sustainability of the business.

At Asia File, we are committed to embrace the principles of DEI for all employees. We uphold the principle of equal employment opportunity and strictly prohibit discrimination on the basis of gender, age, race, religion, ethnicity, nationality, disability, marital status or any other personal characteristic protected under applicable laws. Likewise, harassment, bullying and victimisation are not tolerated under any circumstances. Any breach of these standards may result in disciplinary action, including termination of employment.

Diversity	Equity	Inclusion
Encompasses the characteristics that make every individual unique. This includes, but is not limited to, age, gender, experience, education, background, expertise, nationality, disability, race, culture, language and personal perspectives.	Promotes fairness, impartiality and equal access to opportunities, ensuring that employment practices, policies and the allocation of resources are based on merit and objective criteria.	Fosters a workplace where every employee feels respected, valued and has a sense of belonging, with equal opportunities to participate, contribute and develop.

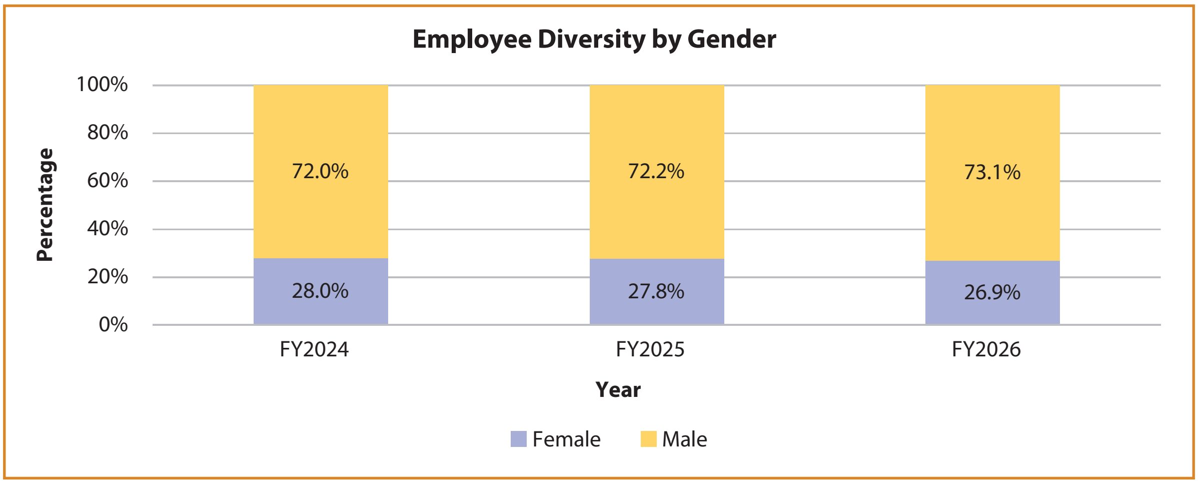
The Group is committed to providing equal opportunities for recruitment, training, career development and promotion based on merit, qualifications, performance and business requirements. Remuneration is determined based on individual performance, roles and responsibilities, as well as the Group's overall financial performance.

The Group also supports the development and advancement of women by providing equal opportunities for career progression and leadership roles. We remain committed to maintaining a diverse workforce and promoting an inclusive workplace where employees are recognised for their abilities and contributions.

As at 31 March 2026, the Group employed a total of 642 employees (FY2025: 722), reflecting changes in operational requirements across the Group. The composition of the workforce continues to reflect the operational nature of the Group's manufacturing activities, where certain production functions have a higher proportion of male employees.

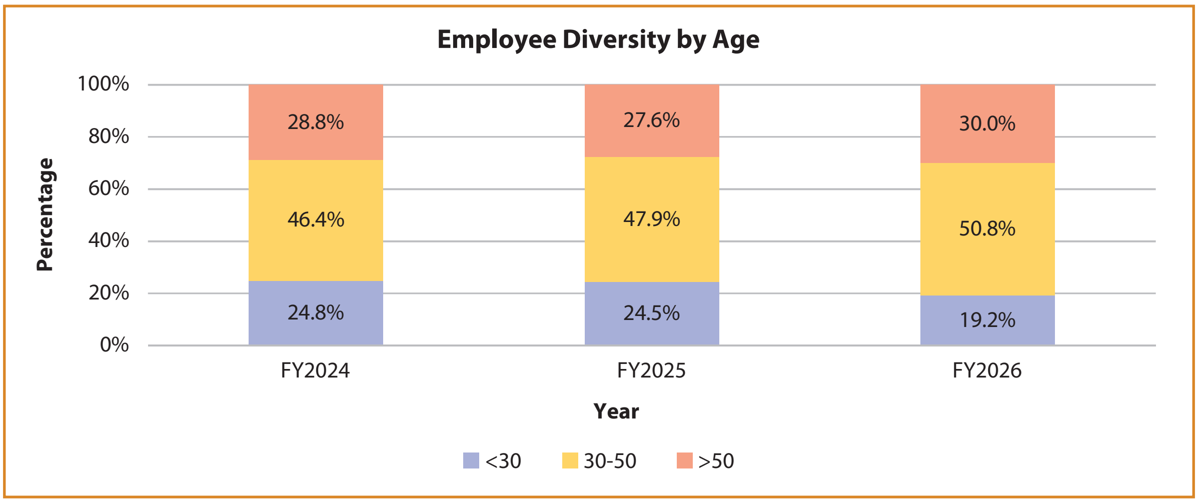
Workforce Composition by Gender

	FY2024		FY2025		FY2026	
By Gender	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
Manager and above	59.3%	40.7%	58.9%	41.1%	60.0%	40.0%
Executive	41.5%	58.5%	39.0%	61.0%	43.6%	56.4%
Non-Executive	79.5%	20.5%	81.0%	19.0%	81.7%	18.3%
Total	**72.0%**	**28.0%**	**72.2%**	**27.8%**	**73.1%**	**26.9%**



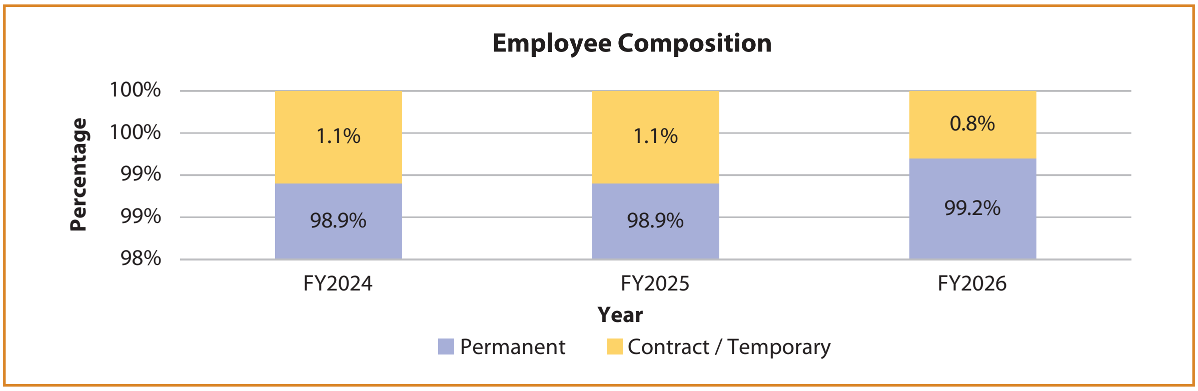
Workforce Composition by Age

	FY2024			FY2025			FY2026		
By Age	**<30**	**30-50**	**>50**	**<30**	**30-50**	**>50**	**<30**	**30-50**	**>50**
Manager and above	-	51.9%	48.1%	-	51.8%	48.2%	-	46.0%	54.0%
Executive	14.4%	44.9%	40.7%	9.8%	52.0%	38.2%	10.3%	48.7%	41.0%
Non-Executive	29.3%	46.1%	24.6%	30.4%	46.6%	23.0%	23.4%	51.8%	24.8%
Total	**24.8%**	**46.4%**	**28.8%**	**24.5%**	**47.9%**	**27.6%**	**19.2%**	**50.8%**	**30.0%**



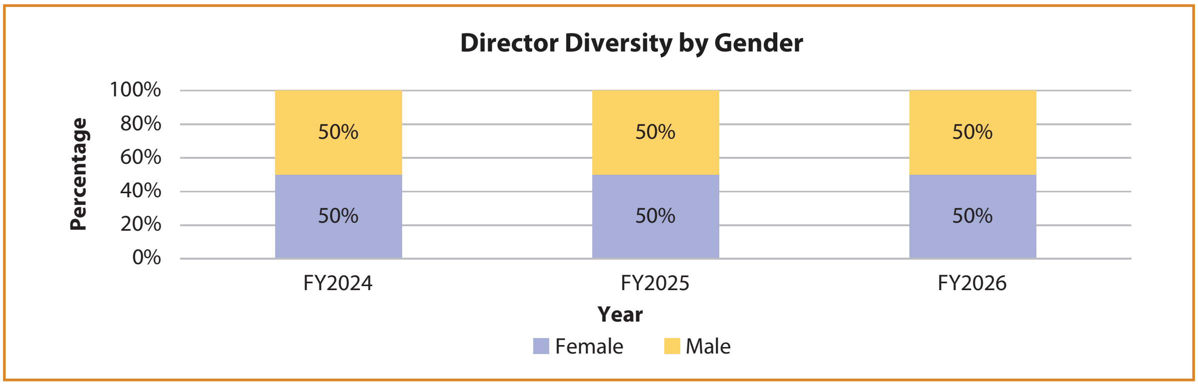
Employment Type

	FY2024	FY2025	FY2026
Contract / Temporary staff	1.1%	1.1%	0.8%
Permanent staff	98.9%	98.9%	99.2%



Board Diversity by Gender

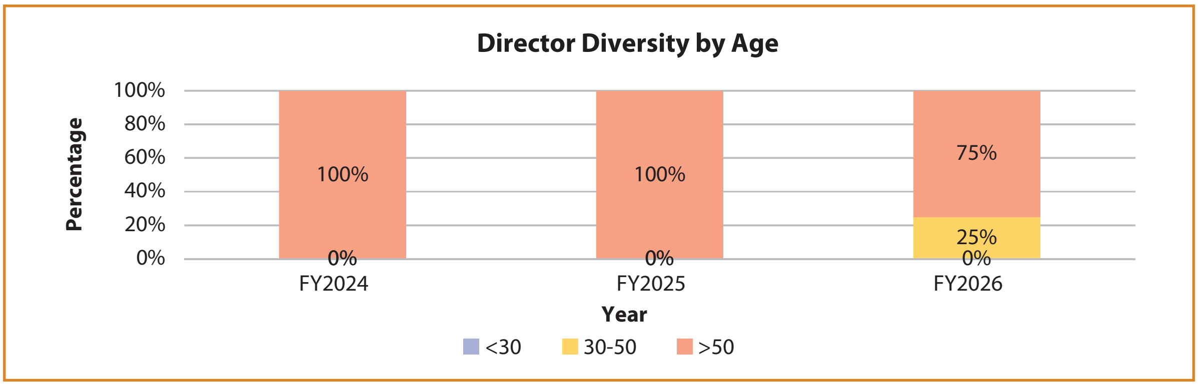
	FY2024		FY2025		FY2026	
By Gender	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
Director	50%	50%	50%	50%	50%	50%



Board Diversity by Age

	FY2024			FY2025			FY2026		
By Age	**<30**	**30-50**	**>50**	**<30**	**30-50**	**>50**	**<30**	**30-50**	**>50**
Director	-	-	100.0%	-	-	100.0%	-	25.0%	75.0%

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



The Group is committed to providing equal employment opportunities, including opportunities for persons with disabilities where suitable roles are available. As at 31 March 2026, the Group employed 13 persons with disabilities, demonstrating our continued commitment to fostering an inclusive workplace.

In line with our inclusive employment practices, the Group also recruits qualified retirees to fill suitable positions where their experience and expertise can continue to add value to the business. As of FY2026, the Group engaged 38 retirees (FY2025: 36), reflecting our continued recognition of experienced talent and our commitment to promoting age diversity within the workforce.

	FY2024	FY2025	FY2026
Number of person with disabilities	11	13	13
Number of retirees	32	36	38

The Group remains committed to fostering a diverse, equitable and inclusive workplace by providing equal employment opportunities, supporting workforce diversity and maintaining a respectful working environment where employees are recognised and valued for their skills, experience and contributions.

9. Labour Practices and Standards

People Attraction and Retention

Employees are among the Group's most valuable assets, and we recognise that their skills, experience and commitment are fundamental to achieving our long-term business objectives. The Group remains committed to fair employment practices and strives to attract, develop and retain talented employees by providing a safe, respectful and rewarding working environment.

We seek individuals who not only possess the necessary knowledge and competencies but also demonstrate positive attitudes and values that align with the Group's culture. To support employee integration, newly hired employees undergo an induction programme and probationary review, providing an opportunity for the Human Resources Department and respective supervisors to discuss job responsibilities, workplace expectations, employee welfare and any concerns that may arise during the initial employment period.

The Group conducts annual performance appraisals to recognise employee contributions and evaluate performance. The appraisal process facilitates constructive discussions between employees and their respective Heads of Department ("HODs") on performance, career development, areas of improvement, and training requirements.

To support employee well-being and enhance employee value proposition, the Group provides a range of benefits, including:

Categories	Benefits
Statutory Benefits	• Compliance with minimum wage legislation • Mandatory statutory contribution schemes applicable to both local and overseas subsidiaries • Public holidays
Leave Provisions	• Annual leave • Medical leave • Maternity and paternity leave • Marriage leave • Compassionate leave • Hospitalisation leave • Unpaid leave

Categories	Benefits
Employment Benefits	• Subsidised Hospitalisation & Surgery Scheme ("H&S Scheme") • Personal Accident Insurance • Skill development opportunities • Optical, dental, and medical benefits • Company loan facility • Employee Share Option Scheme ("ESOS") • Transportation and Uniforms
Facilities	• Locker facilities • On-site canteen

Beyond employee benefits, the Group regularly organises employee engagement programmes to strengthen workplace relationships and promote employee well-being. Throughout FY2026, employees participated in a range of engagement initiatives, including festive celebrations, health screening programmes, long service awards and outdoor recreational activities that encouraged employees to connect with nature while fostering teamwork and well-being.

The following employee engagement activities were organised:

Health Screening Programme

As part of the Group's annual employee wellness initiatives, a Health Screening Programme was conducted in August 2025 with the participation of approximately 120 employees. The programme aimed to raise awareness of health-related issues, facilitate early detection of potential health risks and encourage preventive healthcare practices.

Penang Hill Heritage Bungalow Walk

On 14 June 2025, the Group organised a heritage walk at Penang Hill involving 27 participants. Participants explored the historic bungalows featuring architectural styles ranging from British colonial to contemporary Asian designs, while strengthening teamwork and employee engagement.

Long Service Awards

The Group recognises employees who have demonstrated long-term commitment and dedication through its Long Service Awards. On 11 July 2025, a total of 21 employees with between 10 and 30 years of service were honoured in appreciation of their valuable contributions to the Group.

Employee Turnover

During FY2026, the Group recorded 171 employee separations, compared with 134 in FY2025. The increase was mainly attributable to normal workforce turnover across the Group's operations.

	FY2024	FY2025	FY2026
Manager and above	6	4	6
Executive	13	19	22
Non-Executive	134	111	143
Total employee turnover	**153**	**134**	**171**

Training and Development

During FY2026, the Group recorded a total of 1,741 training hours (FY2025: 4,091 hours). The reduction was mainly attributable to the completion of several mandatory training programmes in previous years, many of which are conducted on a two- to three-year cycle rather than annually. As a result, fewer refresher training sessions were required during the financial year.

	FY2024	FY2025	FY2026
Manager and above	566	620	275
Executive	688	1,022	351
Non-Executive	2,243	2,449	1,115
Total employee training hours	**3,497**	**4,091**	**1,741**

The Group remains committed to providing employees with learning and development opportunities that support individual growth, enhance workplace capabilities and contribute to the long-term success of the business.

Human Rights

Respect for human rights is fundamental to responsible and sustainable business practices. The Group recognises the inherent dignity and rights of every individual and is committed to fostering a workplace where all employees are treated with fairness, respect and integrity, regardless of their background or identity. By promoting an inclusive and respectful working environment, we aim to support employee well-being, engagement and productivity.

The Group is committed to respecting human rights throughout its operations and employment practices. We recognise internationally recognised human rights principles and comply with applicable local laws and regulations relating to labour and employment. The Group maintains a zero-tolerance approach towards child labour, forced labour, slavery and human trafficking, and expects the same standards from our business partners wherever practicable.

The Group's commitment to human rights is supported by its Code of Ethics and Conduct, Whistleblowing Policy and Slavery and Human Trafficking Statement, which collectively promote ethical business conduct and respect for fundamental human rights.

As at 31 March 2026, the Group recorded no substantiated complaints relating to human rights violations and remains committed to maintaining a workplace that respects and protects the rights of all employees.

	FY2024	FY2025	FY2026
Number of substantiated complaints concerning human rights violations	-	-	-

10. Occupational Safety and Health

Health and safety remain a top priority at Asia File. The Group is committed to maintaining a safe and healthy working environment for employees, business partners and visitors by identifying workplace risks, implementing appropriate controls and promoting a strong safety culture across all operations. Our Employee Handbook outlines the safety rules and practices that all employees are required to observe. Any violation of these requirements may result in appropriate disciplinary action.

The Group's health and safety practices are overseen by the Health and Safety Committee, which is responsible for supporting the implementation, monitoring and continuous improvement of workplace safety initiatives. Through these efforts, the Group aims to prevent workplace incidents, protect employee well-being and foster a proactive safety culture.

To support this commitment, the Group has established operating procedures to ensure compliance with applicable health and safety requirements. Key initiatives include:

- Conducting regular assessments to identify workplace hazards and implement appropriate risk mitigation measures;
- Holding quarterly Health and Safety Committee meetings to review safety performance, policies and procedures;
- Reviewing safety procedures regularly and providing relevant training programmes, including safe operation of motorised vehicles and machinery;
- Conducting periodic inspections of buildings, equipment and work areas to promote safe working practices;
- Providing personal protective equipment ("PPE") to production employees;
- Conducting routine safety audits and fire drills;
- Installing automated sprinkler systems in most facilities to enhance fire safety and asset protection;
- Establishing Emergency Response Teams ("ERT") at each plant to support timely responses during emergency situations; and
- Implementing appropriate disciplinary measures for serious breaches of health and safety requirements.

Health and Safety Training

Regular training and safety briefings are conducted to strengthen employee awareness and ensure that employees possess the necessary knowledge and skills to perform their duties safely and effectively. The Health and Safety Committee, together with the Internal Audit Department ("IAD"), supports the monitoring of health and safety practices across the Group.

Health and safety training needs are identified annually based on operational requirements and workplace risks. Employees are then enrolled in relevant training programmes, which may be conducted internally or through external training providers depending on the nature and complexity of the subject matter.

As part of the Group's emergency preparedness measures, fire drills are conducted to familiarise employees with evacuation procedures during emergency situations. These exercises aim to ensure that employees understand their roles and responsibilities, enabling a timely, orderly and safe response while minimising potential risks during emergencies.

The Group has established a target to conduct at least one health and safety training programme annually and aims to ensure that at least 10% of employees receive health and safety-related training each year.

	FY2024	FY2025	FY2026
Number of employees trained on health and safety standards	696	663	604

Work Related Injuries

The Group continues to implement measures to prevent workplace injuries, including accident prevention initiatives, regular safety briefings, employee awareness programmes and the provision of appropriate protective equipment, particularly for employees working in higher-risk areas.

During FY2026, the Group recorded zero work-related fatalities across its operations and remains committed to maintaining a safe workplace for all employees.

During the financial year, the Group recorded three (3) lost time incident injuries, resulting in a Lost Time Incident Rate ("LTIR") of 0.47, which remained below the Group's benchmark target of 1.00. The Group will continue to strengthen its safety practices and maintain efforts to keep LTIR below 1.00 in the years ahead.

	FY2024	FY2025	FY2026
Number of work-related fatalities	-	-	-
Number of lost time incident injuries	5	5	3
Lost time incident rate	0.67	0.69	0.47

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 are important stakeholders that contribute to the Group's long-term success. We recognise our responsibility to engage with and support the communities in which we operate, particularly by contributing to initiatives that benefit underprivileged groups and individuals facing financial challenges.

As part of the Group's ongoing community outreach efforts, we have continuously sponsored the printing of Penang City Eye magazine since its first issue in May 2014. As at FY2026, the publication had reached its 50th issue.

During FY2026, the Group fully sponsored the printing of Penang City Eye, a quarterly pictorial magazine dedicated to promoting Penang's culture, heritage and creative activities. A total of four (4) issues were published during the financial year, with 8,000 copies printed for each issue, resulting in 32,000 copies distributed in total. The Group incurred printing costs of RM36,471 for this initiative.

The magazine features pictorial and editorial content covering Penang's culture, heritage, lifestyle, traditions and creative activities. It is distributed free of charge at selected arts and lifestyle establishments, including cafés, restaurants, schools and homestays across Penang.

In addition to the printing sponsorship, the Group contributed RM40,000 in cash donations to Penang City Eye during the financial year to support its continued publication and operations.

The Group also contributed both cash and non-cash donations, including files, stationery and consumer products, to various schools and charitable organisations. During FY2026, a total of RM35,080 was contributed towards these community initiatives.

	FY2024	FY2025	FY2026
Total amount invested where the target beneficiaries are external parties	RM 145,918	RM 130,933	RM 111,551
Total number of beneficiaries of the investment in community	18	22	16

In addition, the Group's subsidiary, Plastoreg Smidt GmbH, was recognised by IHK Erfurt for its contribution and commitment towards developing apprentices and preparing young talents for their future careers. This recognition reflects the Group's commitment to supporting skills development and creating opportunities for the communities in which it operates.

Community Visit to Ru Yi Home, a Children's Home in Penang

Conclusion

The Asia File Group remains committed to pursuing sustainable growth, operational excellence and responsible corporate governance. Our progress across economic, environmental, social and governance areas reflects our ongoing efforts to integrate sustainability considerations into our business operations and decision-making processes.

Moving forward, the Group will continue to strengthen its sustainability initiatives by reducing environmental impacts, enhancing social contributions and maintaining high standards of integrity, accountability and transparency. Through continuous improvement and responsible business practices, we aim to create long-term value for our stakeholders and contribute positively to the communities where we operate.

Prescribed Table from CSI Platform

ASIA FILE CORPORATION BHD
BMLR Transition Period

Date & Time: 2026-07-27 14:27:25
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Economic - Corporate Governance & Ethics	BURSA C1a-Percentage of employees who have received training on anti-corruption by employee category - Manager and above	Percentage	100	100	—	Internal
Economic - Corporate Governance & Ethics	BURSA C1a-Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	84	86	—	Internal
Economic - Corporate Governance & Ethics	BURSA C1a-Percentage of employees who have received training on anti-corruption by employee category - Non-Executive	Percentage	33	34	—	Internal
Economic - Corporate Governance & Ethics	BURSA C1b - Percentage of operations assessed for corruption-related risks	Percentage	100	100	—	Internal
Economic - Corporate Governance & Ethics	BURSA C1c-Confirmed incidents of corruption and action taken	Number	0	0	—	Internal
Economic - Supply Chain Management	BURSA C7a-Proportion of spending on local suppliers	Percentage	70.83	79.07	—	Internal
Economic - Data Protection & Privacy	BURSA C8a-Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	—	Internal
Environment - Energy & Emissions Management	BURSA C4a-Total energy consumption	Megawatt	42814.95	36744.91	—	Internal
Environment - Energy & Emissions Management	BURSA C11a-Scope 1 emissions in tonnes of CO2e	Metric Tonnes	967	890	—	Internal
Environment - Energy & Emissions Management	BURSA C11b-Scope 2 emissions in tonnes of CO2e	Metric Tonnes	11533	10036	—	Internal

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ASIA FILE CORPORATION BHD

BMLR Transition Period

Date & Time: 2026-07-27 14:27:25

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Environment - Energy & Emissions Management	BURSA C11c-Scope 3 emissions in tonnes of CO2e	Metric Tonnes	392	397	—	Internal
Environment - Water Management	BURSA C9a-Total volume of water used	Megalitres	171.68	125.64	—	Internal
Environment - Waste Management	BURSA C10a-Total waste generated	Metric Tonnes	3555	2509	—	Internal
Environment - Waste Management	BURSA C10a(i)-Total waste diverted from disposal	Metric Tonnes	2937	1913	—	Internal
Environment - Waste Management	BURSA C10a(ii)-Total waste directed from disposal	Metric Tonnes	618	596	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Gender group by Employee category - Management Male	Percentage	58.9	60	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Gender group by Employee category - Management Female	Percentage	41.1	40	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Gender group by Employee category - Executive Male	Percentage	39	43.6	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Gender group by Employee category - Executive Female	Percentage	61	56.4	—	Internal

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ASIA FILE CORPORATION BHD
BMLR Transition Period

Date & Time: 2026-07-27 14:27:25
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Gender group by Employee category - Non-Executive Male	Percentage	81	81.7	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Gender group by Employee category - Non-Executive Female	Percentage	19	18.3	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Age group by Employee category - Management below 30	Percentage	0	0	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Age group by Employee category - Management 30 - 50	Percentage	51.8	46	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Age group by Employee category - Management above 50	Percentage	48.2	54	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Age group by Employee category - Executive below 30	Percentage	9.8	10.3	—	Internal

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ASIA FILE CORPORATION BHD

BMLR Transition Period

Date & Time: 2026-07-27 14:27:25

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Age group by Employee category - Executive 30 - 50	Percentage	52	48.7	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Age group by Employee category - Executive above 50	Percentage	38.2	41	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Age group by Employee category - Non-Executive below 30	Percentage	30.4	23.4	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Age group by Employee category - Non-Executive 30 - 50	Percentage	46.6	51.8	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3a-Percentage of employees by gender and age group, for each employee category - Age group by Employee category - Non-Executive above 50	Percentage	23	24.8	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3b-Percentage of directors by gender and age group -Male	Percentage	50	50	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3b-Percentage of directors by gender and age group -Female	Percentage	50	50	—	Internal

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BMLR Transition Period

Date & Time: 2026-07-27 14:27:25
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Social - Employee Diversity & Equal Opportunity	BURSA C3b-Percentage of directors by gender and age group - below 30	Percentage	0	0	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3b-Percentage of directors by gender and age group - 30-50	Percentage	0	25	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C3b-Percentage of directors by gender and age group - above 50	Percentage	100	75	—	Internal
Social - Labor Practices & Standards	BURSA C6a-Total hours of training by employee category - Management	Hours	620	275	—	Internal
Social - Labor Practices & Standards	BURSA C6a-Total hours of training by employee category - Executive	Hours	1022	351	—	Internal
Social - Labor Practices & Standards	BURSA C6a-Total hours of training by employee category - Non-Executive	Hours	2449	1115	—	Internal
Social - Employee Diversity & Equal Opportunity	BURSA C6b-Percentage of employees that are contractors or temporary staff	Percentage	1.1	0.8	—	Internal
Social - Labor Practices & Standards	BURSA C6c-Total number of employee turnover by employee category - Management	Number	4	6	—	Internal
Social - Labor Practices & Standards	BURSA C6c-Total number of employee turnover by employee category - Executive	Number	19	22	—	Internal
Social - Labor Practices & Standards	BURSA C6c-Total number of employee turnover by employee category- Non-Executive	Number	111	143	—	Internal

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ASIA FILE CORPORATION BHD

BMLR Transition Period

Date & Time: 2026-07-27 14:27:25

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Social - Labor Practices & Standards	BURSA C6d-Number of substantiated complaints concerning human rights violations	Number	0	0	—	Internal
Social - Occupational Safety & Health	BURSA C5a-Number of work-related fatalities	Number	0	0	—	Internal
Social - Occupational Safety & Health	BURSA C5b-Lost time incident rate	Rate	0.69	0.47	—	Internal
Social - Occupational Safety & Health	BURSA C5c-Number of employees trained on health and safety standards	Number	663	604	—	Internal
Social - Local Communities/ Society	BURSA C2a-Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	130933	111551	—	Internal
Social - Local Communities/ Society	BURSA C2b-Total number of beneficiaries of the investment in communities	Number	22	16	—	Internal

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-27 14:27:25

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

The Company did not purchase any of its own shares during the financial year pursuant to the Share Buy-Back Scheme.

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 2026 is set out in the tables below:

Description	Number of Options as at 31 March 2026	
	Total Allocated to the Group	Executive Director of the Company
Granted	11,033,000	1,100,000
Exercised	1,218,500	330,000
Forfeited	2,252,700	-
Options Outstanding	7,561,800	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 2026
Aggregate maximum allocation	70.00%
Actual granted	28.91%

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

4. Audit and Non-audit Fees

The amount of audit fees paid or payable to the external auditors, BDO PLT and its affiliates, for services rendered to the Company and the Group for the financial year ended 31 March 2026 amounted to RM73,500 and RM842,140 respectively.

The amount of non-audit fees paid or payable to the external auditors, BDO PLT were only for the services rendered to the Company for the financial year ended 31 March 2026 amounted to RM10,500.

5. Profit Estimates, Forecasts or Projections

There were no profit estimates, forecasts or projections made or released by the Company for the financial year ended 31 March 2026.

6. Profit Guarantee

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

7. 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.

8. 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.

9. Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2026 RM	2025 RM
Revenue		238,538,595	275,130,476
Other income		2,761,037	8,645,361
Interest income	Include distribution income from short-term funds	11,686,944	13,420,908
Share of loss of an associate		(5,486,270)	(15,790,763)
Total		247,500,306	281,405,982
Total Assets		769,543,297	773,641,210

(B) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2026 RM	2025 RM
Gain from investment in conventional instruments	Fair value gain on other investments	923,977	987,744
Interest income		11,686,723	13,020,771
Insurance income	Commission income	98,245	80,181
Total		12,708,945	14,088,696

9. Disclosure of Financial Data for Shariah Screening (continued)

(C) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2026 RM	2025 RM
Cash in hand		50,509	46,258
Cash at bank (exclude cash in hand)		4,481	5,354
Deposits with licensed bank		-	60,000
Short term funds		-	38
Total		54,990	111,650

Conventional Account/Instruments	Remarks	Group	
		2026 RM	2025 RM
Cash at bank (exclude cash in hand)		45,450,506	37,111,430
Deposits with licensed bank		276,045,124	242,488,361
Short term funds		62,559,394	75,586,630
Total		384,055,024	355,186,421

(ii) Debt Component

Islamic Financing	Remarks	Group	
		2026 RM	2025 RM
Current		-	-
Non-current		-	-
Total		-	-

Conventional Borrowing	Remarks	Group	
		2026 RM	2025 RM
Current		-	-
Non-current		-	-
Total		-	-

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2026.

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, paper and plastic based related products, and industrial, consumer and food ware products.

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

RESULTS

	Group RM	Company RM
Profit for the financial year	4,920,120	6,914,471
Profit attributable to:		
Owners of the parent	4,839,502	6,914,471
Non-controlling interests	80,618	-
	4,920,120	6,914,471

DIVIDENDS

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

	Company RM
In respect of financial year ended 31 March 2025:	
Single tier final dividend of 2.00 sen per ordinary share, paid on 23 October 2025	3,787,151

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 2026, 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 2027.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than the share options vested under Employees' Share Option Scheme ('ESOS') of RM330,197 taken up in the statements of changes in equity.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or 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

  (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.

OPTIONS GRANTED OVER UNISSUED SHARES (continued)

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

(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-------]			
Date of offer	**Balance as at 1.4.2025**	**Forfeited***	**Balance as at 31.3.2026^**	**Exercisable as at 31.03.2026**
24 June 2022	8,587,800	(1,026,000)	7,561,800	4,980,900
Exercise price (RM)				1.5542

* Due to resignation

^ 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.

REPURCHASE OF OWN SHARES

At the Annual General Meeting held on 30 September 2025, 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.

REPURCHASE OF OWN SHARES (continued)

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.

The Company did not repurchase its own shares during the financial year.

As at 31 March 2026, 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:

<u>Asia File Corporation Bhd.</u>

Dato' Lim Soon Huat	
Chua Hooi Luan	
Lee Thean Yew	
Koay Siu Hoay	(Appointed on 30 June 2025)
Lam Voon Kean	(Retired on 30 June 2025)

<u>Subsidiaries of Asia File Corporation Bhd.</u>

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 2026 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			----------------------]
	Balance as at			Balance as at
	1-4-2025	Bought	Sold	31-3-2026
Shares in the Company				
Direct interest:				
Dato' Lim Soon Huat	7,108,355	1,333,772	-	8,442,127
Indirect interest:				
Dato' Lim Soon Huat #	89,907,211	20,526,600	-	110,433,811

	[------------- Number of options over ordinary shares			-------------]
	Balance as at			Balance as at
	1-4-2025	Granted	Exercised	31-3-2026
Shares options in the Company				
Direct interest:				
Dato' Lim Soon Huat	770,000	-	-	770,000
Indirect interest:				
Dato' Lim Soon Huat ^	1,505,000	-	-	1,505,000

\# Deemed interest by virtue of shareholdings in Prestige Elegance (M) Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 and interest of his spouse and children, including their interest held through SHSL Holding Sdn. Bhd., pursuant to Section 59(11)(c) 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.

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 persuant to the ESOS disclosed above.

DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 31 March 2026 were as follows:

	Group RM	Company RM
Fees	392,836	318,805
Other emoluments	3,934,265	3,934,265
Share options granted under share options scheme	37,165	37,165
Benefits-in-kind	28,000	28,000
	4,392,266	4,318,235

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.

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.

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 2026	Effective interest in equity 2025	Principal activities
ABBA Marketing Sdn. Bhd.	Malaysia	100%	100%	Trading of stationery, industrial, consumer and food ware products and provision of graphic design and desktop publishing services
ABBA Industrial 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, industrial, consumer and food ware products 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

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 2026	Effective interest in equity 2025	Principal activities
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
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

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 2026 were as follows:

	Group RM	Company RM
Statutory audit		
- BDO PLT, Malaysia	240,000	73,500
- BDO member firms	602,140	-
- other auditor	5,634	-
Other services		
- BDO PLT, Malaysia	10,500	10,500
	858,274	84,000

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

Dato' Lim Soon Huat
Director

Chua Hooi Luan
Director

Penang
30 July 2026

Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 85 to 152 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 2026 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
30 July 2026

Statutory Declaration

I, Lim Swee Kheng (CA 31036), 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 85 to 152 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 30 July 2026

Lim Swee Kheng
Chief Financial Officer

Before me,

Kevin A/L M Anthony Dass
No. P210
Commissioner for Oaths
Penang

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 2026 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 85 to 152.

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 2026, 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'), as applicable to audits of financial statements of public interest entities 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 2026 amounted to RM26,775,588 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 margin, as well as determining an appropriate pre-tax discount rate.

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 2026, the net carrying amount of investment in an associate of the Group amounted to RM133,836,793 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 future results and key assumptions applied to cash flow projections in determining the recoverable amount of the investment in an associate. The key assumptions include projected growth in future revenue and gross profit margin as well as determining an appropriate pre-tax discount rate.

Audit response

Our audit procedures included the following:

(a) Assessed the historical reliability of projections by comparing prior period projection to actual results for the financial year;

(b) Assessed the reasonableness of the key assumptions used in the cash flows projections;

(c) Assessed the reasonableness of the pre-tax discount rate used by comparing to market data, weighted average cost of capital of the industry and other relevant risk factors; and

(d) Performed sensitivity analysis to stress test the key assumptions used in the impairment assessment.

Key Audit Matters (continued)

3. *Valuation of inventories*

Inventories of the Group as at 31 March 2026 were RM67,001,122 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 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; and

(c) 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.

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.

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.

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

Lee Beng Tuan
03271/07/2028 J
Chartered Accountant

Penang
30 July 2026

Statements of Financial Position
As At 31 March 2026

		Group		Company	
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	88,245,410	96,679,262	982	1,179
Right-of-use assets	6	13,679,955	2,887,232	-	-
Investment properties	7	9,328,076	9,334,217	-	-
Intangible assets	8	26,775,606	28,049,474	-	-
Investments in subsidiaries	9	-	-	227,814,312	228,105,030
Investment in an associate	10	133,836,793	141,794,838	35,683,093	35,683,093
Other investments	14	2,184,172	-	-	-
Deferred tax assets	12	7,000	-	-	-
		274,057,012	278,745,023	263,498,387	263,789,302
Current assets					
Inventories	13	67,001,122	82,718,707	-	-
Trade and other receivables	11	44,153,540	56,878,259	460,782	6,136,305
Other investments	14	62,559,394	75,586,668	2,283,012	1,997,961
Current tax assets		221,609	1,150	-	-
Cash and bank balances	15	321,550,620	279,711,403	17,350,114	7,983,517
		495,486,285	494,896,187	20,093,908	16,117,783
TOTAL ASSETS		769,543,297	773,641,210	283,592,295	279,907,085
EQUITY AND LIABILITIES					
Equity attributable to the owners of the parent					
Share capital	16	204,679,470	204,679,470	204,679,470	204,679,470
Treasury shares	17	(12,466,391)	(12,466,391)	(12,466,391)	(12,466,391)
Reserves	18	524,546,525	532,015,119	90,700,525	87,243,008
		716,759,604	724,228,198	282,913,604	279,456,087
Non-controlling interests		813,509	797,793	-	-
TOTAL EQUITY		717,573,113	725,025,991	282,913,604	279,456,087

		Group		Company	
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
LIABILITIES					
Non-current liabilities					
Lease liabilities	6	11,205,718	-	-	-
Deferred tax liabilities	12	14,912,342	15,638,100	-	-
		26,118,060	15,638,100	-	-
Current liabilities					
Lease liabilities	6	511,814	770	-	-
Trade and other payables	19	22,892,642	26,296,695	628,170	410,788
Current tax liabilities		2,447,668	6,679,654	50,521	40,210
		25,852,124	32,977,119	678,691	450,998
TOTAL LIABILITIES		51,970,184	48,615,219	678,691	450,998
TOTAL EQUITY AND LIABILITIES		769,543,297	773,641,210	283,592,295	279,907,085

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 2026

		Group		Company	
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
Revenue	21	238,538,595	275,130,476	15,068,407	20,460,401
Cost of sales		(155,035,674)	(176,324,012)	-	-
Gross profit		83,502,921	98,806,464	15,068,407	20,460,401
Other income		14,447,981	22,066,269	542,609	828,731
Distribution costs		(26,574,740)	(28,904,545)	-	-
Administrative expenses		(35,428,171)	(36,792,261)	(7,394,545)	(7,652,187)
Other operating expenses		(16,164,463)	(70,237,069)	(1,145,605)	(628,494)
Finance cost	25	(848,086)	(38,759)	-	-
Net losses on impairment of financial assets	11(g)	(1,335,730)	(49)	-	-
Share of loss of an associate, net of tax		(5,486,270)	(15,790,763)	-	-
Profit/(Loss) before tax	26	12,113,442	(30,890,713)	7,070,866	13,008,451
Tax expense	27	(7,193,322)	(12,303,470)	(156,395)	(152,630)
Profit/(Loss) for the financial year		4,920,120	(43,194,183)	6,914,471	12,855,821
Other comprehensive income, net of tax					
Item that may be reclassified subsequently to profit or loss					
Foreign currency translations		(7,889,575)	(6,144,660)	-	-

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Item that will not be reclassified subsequently to profit or loss					
Share of other comprehensive loss of equity-accounted associate		(1,026,469)	(1,734,077)	-	-
Other comprehensive loss for the financial year, net of tax		(8,916,044)	(7,878,737)	-	-
Total comprehensive (loss)/income for the financial year		(3,995,924)	(51,072,920)	6,914,471	12,855,821
Profit/(Loss) attributable to:					
Owners of the parent		4,839,502	(43,297,912)	6,914,471	12,855,821
Non-controlling interests		80,618	103,729	-	-
		4,920,120	(43,194,183)	6,914,471	12,855,821
Total comprehensive (loss)/income attributable to:					
Owners of the parent		(4,011,640)	(51,142,340)	6,914,471	12,855,821
Non-controlling interests		15,716	69,420	-	-
		(3,995,924)	(51,072,920)	6,914,471	12,855,821
Earnings/(Loss) per ordinary share attributable to equity holders of the Company (sen):					
Basic	28(a)	2.56	(22.53)		
Diluted	28(b)	2.56	(22.33)		

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

Statements of Changes in Equity
For the Financial Year Ended 31 March 2026

	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
Group									
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)
Transactions with owners									
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

	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
Group									
Balance as at 1 April 2025		204,679,470	(12,466,391)	21,898,278	2,813,637	507,303,204	724,228,198	797,793	725,025,991
Profit for the financial year		-	-	-	-	4,839,502	4,839,502	80,618	4,920,120
Foreign currency translations		-	-	(7,824,673)	-	-	(7,824,673)	(64,902)	(7,889,575)
Share of other comprehensive loss of equity-accounted associate		-	-	(1,026,469)	-	-	(1,026,469)	-	(1,026,469)
Total comprehensive loss		-	-	(8,851,142)	-	4,839,502	(4,011,640)	15,716	(3,995,924)
Transactions with owners									
Dividend paid	29	-	-	-	-	(3,787,151)	(3,787,151)	-	(3,787,151)
Share options vested under ESOS		-	-	-	330,197	-	330,197	-	330,197
Transfer of share options reserve to retained earnings upon forfeited of ESOS		-	-	-	(375,584)	375,584	-	-	-
Total transactions with owners		-	-	-	(45,387)	(3,411,567)	(3,456,954)	-	(3,456,954)
Balance as at 31 March 2026		204,679,470	(12,466,391)	13,047,136	2,768,250	508,731,139	716,759,604	813,509	717,573,113

	Note	Share capital RM	Treasury shares RM	Share options reserve RM	Retained earnings RM	Total RM
Company						
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
Transactions with owners						
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

	Note	Share capital RM	Treasury shares RM	Share options reserve RM	Retained earnings RM	Total RM
Company						
Balance as at 1 April 2025		204,679,470	(12,466,391)	2,813,637	84,429,371	279,456,087
Profit for the financial year		-	-	-	6,914,471	6,914,471
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	6,914,471	6,914,471
Transactions with owners						
Dividend paid	29	-	-	-	(3,787,151)	(3,787,151)
Share options vested under ESOS		-	-	330,197	-	330,197
Transfer of share options reserve to retained earnings upon forfeited of ESOS		-	-	(375,584)	375,584	-
Total transactions with owners		-	-	(45,387)	(3,411,567)	(3,456,954)
Balance as at 31 March 2026		204,679,470	(12,466,391)	2,768,250	87,932,275	282,913,604

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

Statements of Cash Flows
For the Financial Year Ended 31 March 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		12,113,442	(30,890,713)	7,070,866	13,008,451
Adjustments for:					
Bad debts written off/(recovered)	26	46,480	(4,787)	-	-
Depreciation of:					
- property, plant and equipment	5	9,161,276	9,451,129	197	308
- right-of-use assets	6	1,388,084	1,551,921	-	-
- investment properties	7	180,141	178,985	-	-
Distribution income	26	(971,237)	(538,213)	(33,922)	(31,477)
Dividend income from:					
- subsidiaries	21	-	-	(7,361,378)	(12,435,044)
- an associate	21	-	-	(348,784)	(523,176)
Fair value gain on other investments, net	26	(923,977)	(987,744)	(56,130)	(134,032)
Gain on disposals of property, plant and equipment	26	(178,459)	(388,668)	-	-
Impairment losses on:					
- goodwill	8(d)	-	2,185,000	-	-
- investments in subsidiaries	9(c)	-	-	503,000	-
- investment in an associate	10(f)	-	53,576,454	-	-
- trade receivables	11(g)	1,335,730	5,885	-	-
Inventories written back	13(c)	(172,631)	(394,482)	-	-
Inventories written down	13(c)	171,767	262,640	-	-
Property, plant and equipment written off	26	4,136	126,150	-	-
Reversal of impairment losses on trade receivables	11(g)	-	(5,836)	-	-
Unrealised loss/(gain) on foreign exchange	26	6,152,991	(5,758,874)	432,172	(196,730)
Interest expense	25	848,086	38,759	-	-
Interest income from:					
- bank balances	26	(10,715,707)	(11,299,559)	(451,357)	(453,188)
- other investments	26	-	(1,583,136)	-	-
Share options vested under share options scheme	22	330,197	624,985	117,915	222,220
Share of loss of an associate, net of tax		5,486,270	15,790,763	-	-
Operating profit/(loss) before working capital changes		24,256,589	31,940,659	(127,421)	(542,668)

		Group		Company	
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES (continued)					
Operating profit/(loss) before working capital changes (continued)		24,256,589	31,940,659	(127,421)	(542,668)
Working capital changes:					
Inventories		13,154,190	5,809,189	-	-
Trade and other receivables		8,493,082	(5,344,492)	879,513	6,555,356
Trade and other payables		(2,157,410)	(2,654,627)	217,382	(238,893)
Cash generated from operations		43,746,451	29,750,729	969,474	5,773,795
Tax paid		(11,993,118)	(11,279,837)	(146,084)	(259,591)
Tax refunded		152,549	9,036	-	-
Net cash from operating activities		31,905,882	18,479,928	823,390	5,514,204
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividends received from:					
- subsidiaries		-	-	12,157,388	7,639,034
- an associate		1,445,306	2,167,959	348,784	523,176
Interest received		10,715,707	12,882,695	451,357	453,188
Net changes in deposits with licensed banks with maturity of more than three (3) months		178,995,989	(115,151,989)	2,915,997	5,084,003
Net redemption/(purchase) of other investments		12,738,316	(44,055,001)	(194,999)	75,000
Proceeds from disposals of property, plant and equipment		180,318	389,697	-	-
Purchase of property, plant and equipment	5	(1,880,370)	(3,597,480)	-	-
Purchase of investment properties	7	(174,000)	-	-	-
Subscription of ordinary shares in a subsidiary	9(d)	-	-	-	(950,000)
Net cash from/(used in) investing activities		202,021,266	(147,364,119)	15,678,527	12,824,401

		Group		Company	
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		(3,787,151)	(13,571,380)	(3,787,151)	(13,571,380)
Payment of lease liabilities	6	(1,288,736)	(1,501,066)	-	-
Proceeds from issuance of ordinary shares pursuant to ESOS	16(b)	-	791,554	-	791,554
Purchase of treasury shares	17(b)	-	(11,252,750)	-	(11,252,750)
Net cash used in financing activities		(5,075,887)	(25,533,642)	(3,787,151)	(24,032,576)
Net increase/(decrease) in cash and cash equivalents		228,851,261	(154,417,833)	12,714,766	(5,693,971)
Effects of exchange rate changes		(8,016,055)	2,019,178	(432,172)	196,730
Cash and cash equivalents at beginning of financial year		100,715,414	253,114,069	5,067,520	10,564,761
Cash and cash equivalents at end of financial year	15(c)	321,550,620	100,715,414	17,350,114	5,067,520

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	**Lease liabilities (Note 6) RM**
Balance as at 1 April 2025	770
Cash flows	(1,288,736)
Non-cash flows:	
- addition	12,138,863
- exchange differences	18,549
- unwinding of interest	848,086
Balance as at 31 March 2026	11,717,532
Balance as at 1 April 2024	1,531,658
Cash flows	(1,501,066)
Non-cash flows:	
- exchange differences	(68,581)
- unwinding interest	38,759
Balance as at 31 March 2025	770

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

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, Lebuh 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 2026 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 30 July 2026.

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, paper and plastic based related products, and industrial, consumer and food ware 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 and Amendments to 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 Group has two (2) reportable segments, as described below, which are the strategic business units of the Group. The strategic business units offer different products and are separately evaluated by the Chief Executive Officer ('CEO') in deciding how to allocate resources and in assessing performance of the Group.

The reportable segments of the Group are as follows:

(i) Filing products - Manufacturing and trading of stationery products, paper and plastic based related products

(ii) Industrial, consumer and food ware products - Manufacturing and trading of industrial, consumer and food wares products

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.

The accounting policies of operating segments are the same as those described in the respective notes to the financial statements.

(a) Reportable segments

Group	**Filing products RM**	**Industrial, consumer and food ware products RM**	**Total RM**
2026			
Segment profits	2,289,332	4,420,835	6,710,167
Included in the measure of segment profits are:			
Revenue from external customers	187,471,955	50,968,395	238,440,350
Depreciation of:			
- property, plant and equipment	5,869,853	3,291,423	9,161,276
- right-of-use assets	1,327,618	60,466	1,388,084
- investment properties	142,215	37,926	180,141

4. OPERATING SEGMENTS (continued)

(a) Reportable segments (continued)

Group	Filing products RM	Industrial, consumer and food ware products RM	Total RM
2025			
Segment profits	19,543,155	7,143,058	26,686,213
Included in the measure of segment profits are:			
Revenue from external customers	221,174,341	53,875,954	275,050,295
Depreciation of:			
- property, plant and equipment	6,149,804	3,301,325	9,451,129
- right-of-use assets	1,491,455	60,466	1,551,921
- investment properties	141,059	37,926	178,985

(b) Reconciliations

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

Group	2026 RM	2025 RM
Revenue		
Total revenue for reportable segments	238,440,350	275,050,295
Revenue for non-reportable segment	98,245	80,181
Revenue of the Group per consolidated statement of profit or loss and other comprehensive income	238,538,595	275,130,476
Profit for the financial year		
Total profit for reportable segments	6,710,167	26,686,213
Loss for non-reportable segment	(873,290)	(394,602)
Finance cost	(848,086)	(38,759)
Investing results*	12,610,921	14,408,652
Share of loss of an associate, net of tax	(5,486,270)	(15,790,763)
Impairment losses on:		
- goodwill	-	(2,185,000)
- investment in an associate	-	(53,576,454)
Tax expense	(7,193,322)	(12,303,470)
Profit/(Loss) for the financial year	4,920,120	(43,194,183)

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

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, other investments and deferred tax assets.

	Revenue		Non-current assets	
	2026	**2025**	**2026**	**2025**
Group	**RM**	**RM**	**RM**	**RM**
Malaysia	69,373,668	75,795,961	71,115,536	75,913,215
Asia (excluding Malaysia)	4,201,433	6,636,877	-	-
Europe	157,170,846	183,944,382	66,913,511	61,036,970
America	1,546,808	1,423,786	-	-
Others	6,245,840	7,329,470	-	-
	238,538,595	275,130,476	138,029,047	136,950,185

(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 RM39,990,070 (2025: RM51,345,413) of the revenue of the Group.

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
At cost						
Balance as at 1 April 2025	13,581,307	100,080,260	209,120,490	22,287,370	12,089,318	357,158,745
Additions	-	319,811	1,001,474	166,425	392,660	1,880,370
Disposals	-	-	(58,650)	-	(538,638)	(597,288)
Written off	-	-	(505,814)	(54,349)	(59,400)	(619,563)
Exchange differences	(218,516)	(1,635,325)	(3,351,075)	(434,080)	(185,789)	(5,824,785)
Balance as at 31 March 2026	13,362,791	98,764,746	206,206,425	21,965,366	11,698,151	351,997,479
Accumulated depreciation						
Balance as at 1 April 2025	-	53,865,972	175,963,471	20,580,658	10,069,382	260,479,483
Charge for the financial year	-	2,217,570	5,827,212	276,980	839,514	9,161,276
Disposals	-	-	(57,743)	-	(537,686)	(595,429)
Written off	-	-	(502,645)	(53,382)	(59,400)	(615,427)
Exchange differences	-	(1,181,110)	(2,913,107)	(423,776)	(159,841)	(4,677,834)
Balance as at 31 March 2026	-	54,902,432	178,317,188	20,380,480	10,151,969	263,752,069
Carrying amount						
Balance as at 31 March 2026	13,362,791	43,862,314	27,889,237	1,584,886	1,546,182	88,245,410

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
At cost						
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
Accumulated depreciation						
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
Carrying amount						
Balance as at 31 March 2025	13,581,307	46,214,288	33,157,019	1,706,712	2,019,936	96,679,262

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	2026 RM	2025 RM
Office equipment, furniture and fittings		
At cost		
Balance as at 1 April 2025/2024 and 31 March	2,615	2,615
Accumulated depreciation		
Balance as at 1 April 2025/2024	1,436	1,128
Charge for the financial year	197	308
Balance as at 31 March	1,633	1,436
Carrying amount		
Balance as at 31 March	982	1,179

(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%

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

Group	Balance as at 1 April 2025 RM	Addition RM	Charge for the financial year RM	Exchange differences RM	Balance as at 31 March 2026 RM
Carrying amount					
Leasehold lands	2,765,128	-	(92,448)	-	2,672,680
Building	122,104	12,138,863	(1,295,636)	41,944	11,007,275
	2,887,232	12,138,863	(1,388,084)	41,944	13,679,955

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

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

Lease liabilities

Group	Balance as at 1 April 2025 RM	Addition RM	Lease payments RM	Interest expense RM	Exchange differences RM	Balance as at 31 March 2026 RM
Carrying amount						
Building	770	12,138,863	(1,288,736)	848,086	18,549	11,717,532

Group	Balance as at 1 April 2024 RM	Lease payments RM	Interest expense RM	Exchange differences RM	Balance as at 31 March 2025 RM
Carrying amount					
Building	1,531,658	(1,501,066)	38,759	(68,581)	770

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

Lease liabilities (continued)

	Group	
	2026	**2025**
	RM	**RM**
Represented by:		
Current liabilities	511,814	770
Non-current liabilities	11,205,718	-
	11,717,532	770
Lease liabilities owing to non-financial institutions	11,717,532	770

(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	25 - 29 years (2025: 26 - 30 years)
Building	9 years (2025: 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.

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

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

	Group 2026 RM	Group 2025 RM
Depreciation charge of right-of-use assets (included in administrative expenses)	1,388,084	1,551,921
Interest expense on lease liabilities (included in finance cost)	848,086	38,759
Expenses relating to short-term leases (included in cost of sales)	318,116	297,746
Expenses relating to short-term leases (included in administrative expenses)	86,436	67,573
	2,640,722	1,955,999

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

	Group 2026 RM	Group 2025 RM
Included in cash flows from operating activities:		
Payment relating to short-term leases	404,552	365,319
Included in cash flows from financing activities:		
Payment of lease liabilities	1,288,736	1,501,066
Total cash outflows for leases	1,693,288	1,866,385

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

7. INVESTMENT PROPERTIES

Group	Freehold land RM	Leasehold lands RM	Buildings RM	Total RM
Carrying amount				
Balance as at 1 April 2025	4,471,810	206,806	4,655,601	9,334,217
Addition	-	-	174,000	174,000
Depreciation charge for the financial year	-	(6,894)	(173,247)	(180,141)
Balance as at 31 March 2026	4,471,810	199,912	4,656,354	9,328,076
As at 31 March 2026				
Cost	4,471,810	379,155	8,778,321	13,629,286
Accumulated depreciation	-	(179,243)	(4,121,967)	(4,301,210)
Carrying amount	4,471,810	199,912	4,656,354	9,328,076
Carrying amount				
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	4,471,810	206,806	4,655,601	9,334,217
As at 31 March 2025				
Cost	4,471,810	379,155	8,604,321	13,455,286
Accumulated depreciation	-	(172,349)	(3,948,720)	(4,121,069)
Carrying amount	4,471,810	206,806	4,655,601	9,334,217

(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	29 years (2025: 30 years)
Buildings	2%

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:

	Group	
	2026	**2025**
	RM	**RM**
Fair value	40,800,000	33,600,000

The fair value which amounted to RM40,800,000 (2025: RM33,600,000) 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 RM1,284,288 (2025: RM1,079,728).

(e) Direct operating expenses from investment properties generating rental income during the financial year amounted to RM64,355 (2025: RM63,231).

(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:

	Group	
	2026	**2025**
	RM	**RM**
Less than one (1) year	1,101,984	1,116,288
One (1) to two (2) years	247,200	914,784
Two (2) to three (3) years	-	180,000
	1,349,184	2,211,072

8. INTANGIBLE ASSETS

Group	Goodwill RM	Customer contracts RM	Total RM
At cost			
Balance as at 1 April 2025	30,234,456	2,749,971	32,984,427
Exchange differences	(1,336,532)	(74,933)	(1,411,465)
Balance as at 31 March 2026	28,897,924	2,675,038	31,572,962
Accumulated amortisation			
Balance as at 1 April 2025	-	2,749,953	2,749,953
Exchange differences	-	(74,933)	(74,933)
Balance as at 31 March 2026	-	2,675,020	2,675,020
Accumulated impairment losses			
Balance as at 1 April 2025	2,185,000	-	2,185,000
Exchange differences	(62,664)	-	(62,664)
Balance as at 31 March 2026	2,122,336	-	2,122,336
Carrying amount			
Balance as at 31 March 2026	26,775,588	18	26,775,606
At cost			
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	30,234,456	2,749,971	32,984,427
Accumulated amortisation			
Balance as at 1 April 2024	-	2,940,168	2,940,168
Exchange differences	-	(190,215)	(190,215)
Balance as at 31 March 2025	-	2,749,953	2,749,953
Accumulated impairment loss			
Balance as at 1 April 2024	-	-	-
Charge for the financial year	2,185,000	-	2,185,000
Balance as at 31 March 2025	2,185,000	-	2,185,000
Carrying amount			
Balance as at 31 March 2025	28,049,456	18	28,049,474

8. INTANGIBLE ASSETS (continued)

(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.

(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 approved financial budgets and forecasts covering a five (5)-year period;

(ii) The pre-tax discount rate used for cash flows discounting purpose is estimated based on an industry average cost of capital adjusted for specific risks relating to the CGU. The discount rate applied for cash flow projections is 7.0% (2025: 6.7%);

(iii) The anticipated annual revenue growth rates are determined based on the industry trends and past performance of the CGU; and

(iv) Terminal value based on the fifth year cash flow without incorporating any growth rate.

Based on the annual impairment testing undertaken by the Group, no impairment loss was required for the carrying amount of the goodwill assessed as at 31 March 2026 as the recoverable amount of the CGU was higher than its carrying amount. Management is not aware of any reasonable possible changes in the key assumptions that would cause the carrying amount of the CGU to materially exceed its recoverable amount.

(d) In the previous financial year, an impairment loss of RM2,185,000 was recognised for the carrying amount of the goodwill as the carrying amount of CGU exceeded its recoverable amount. The impairment loss was fully allocated to goodwill, and was recorded in the consolidated statement of profit or loss and other comprehensive income.

9. INVESTMENTS IN SUBSIDIARIES

	Company 2026 RM	Company 2025 RM
Unquoted equity shares, at cost	221,615,361	221,615,361
Share-based payments allocated to subsidiaries	6,701,951	6,489,669
Less: Accumulated impairment losses	(503,000)	-
	227,814,312	228,105,030

(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.

(b) Details of the subsidiaries are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity 2026	Effective interest in equity 2025	Principal activities
ABBA Marketing Sdn. Bhd. ^	Malaysia	100%	100%	Trading of stationery, industrial, consumer and food ware products, and provision of graphic design and desktop publishing services
ABBA Industrial 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, industrial, consumer and food ware products and other paper and plastic based products

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 2026	Effective interest in equity 2025	Principal activities
Formosa Technology Sdn. Bhd. ^	Malaysia	100%	100%	Manufacturing and trading of recyclable food wares and 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
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
# Subsidiary not audited by BDO PLT or BDO member firms

9. INVESTMENTS IN SUBSIDIARIES (continued)

(c) Management reviews the investments in subsidiaries for impairment when there is an indication of impairment. Recoverable amount of the investments in subsidiaries are assessed by reference to the fair value less cost to sell of the underlying assets or the value-in-use of the subsidiaries. Value-in-use is the net present value of the projected future cash flows derived from business operations of the subsidiaries discounted at an appropriate pre-tax discount rate. This discounted cash flows method involves the use of estimated future results and a set of assumptions to support its income and cash flows. Impairment losses are recognised when the carrying amount of the investments in subsidiaries exceed its recoverable amount.

During the financial year, an impairment loss of RM503,000 was recognised to bring the carrying amount to its recoverable amount due to the decline in operations of a subsidiary.

(d) In the previous 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%.

(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 2026 and 31 March 2025.

10. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	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	109,880,412	117,838,457	-	-
Less: Accumulated impairment losses	(53,576,454)	(53,576,454)	-	-
	133,836,793	141,794,838	35,683,093	35,683,093

(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 2026 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.

10. INVESTMENT IN AN ASSOCIATE (continued)

(c) Details of the associate are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity 2026	Effective interest in equity 2025	Principal activity
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 RM50,585,710 (2025: RM75,878,565) and RM12,207,440 (2025: RM18,311,160) respectively.

(e) As at 31 March 2026, 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 discounting the future cash flows to be generated from continuing use of the associate. The key assumptions applied include the forecast revenue growth rate, gross profit margin as well as determining the appropriate pre-tax discount rate. The pre-tax discount rate applied is 4.1% (2025: 6.5%).

In assessing the value-in-use, management is not aware of any reasonable possible changes in the key assumptions that would cause the carrying amount of the investment in an associate to materially exceed its recoverable amount.

(f) In the previous financial year, an impairment loss of RM53,576,454 was recognised for the carrying amount of the investment in an associate as the carrying amount of the investment in an associate exceeded its recoverable amount.

10. INVESTMENT IN AN ASSOCIATE (continued)

(g) 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.

	2026 RM'000	2025 RM'000
Muda Holdings Berhad		
Summarised financial information as at 31 March:		
Non-current assets	1,177,261	1,174,272
Current assets	633,123	712,859
Non-current liabilities	(236,697)	(226,267)
Current liabilities	(723,569)	(774,227)
Non-controlling interests	(40,833)	(43,759)
Net assets	809,285	842,878
Financial period ended 31 March:		
Loss from continuing operations	(23,159)	(66,657)
Other comprehensive loss	(4,333)	(7,320)
Total comprehensive loss	(27,492)	(73,977)
Included in the total comprehensive loss:		
Revenue	1,407,118	1,445,423
Reconciliation of net assets to carrying amount as at 31 March:		
Share of net assets of the associate	191,720	199,678
Effects arising from changes in shareholdings	(4,307)	(4,307)
Less: Accumulated impairment losses	(53,576)	(53,576)
Carrying amount in the consolidated statement of the financial position	133,837	141,795
Group's share of results for the financial period ended 31 March:		
Group's share of loss from continuing operations	(5,486)	(15,791)
Group's share of other comprehensive loss	(1,026)	(1,734)
Group's share of total comprehensive loss	(6,512)	(17,525)
Other information:		
Dividends received by the Group	1,445	2,168

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

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Trade receivables				
Third parties	39,427,318	48,679,190	-	-
Amounts owing by related parties	162,486	510,990	-	-
	39,589,804	49,190,180	-	-
Less: Impairment losses				
- third parties	(2,015,735)	(976,835)	-	-
Total trade receivables	37,574,069	48,213,345	-	-
Other receivables				
Third parties	4,773,569	7,244,208	44,271	85,966
Amounts owing by subsidiaries	-	-	416,511	6,050,339
Deposits	795,064	458,103	-	-
	5,568,633	7,702,311	460,782	6,136,305
Total receivables	43,142,702	55,915,656	460,782	6,136,305
Prepayments	1,010,838	962,603	-	-
	44,153,540	56,878,259	460,782	6,136,305

(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 (2025: 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, non-interest bearing and the credit term granted by the Group on sale of goods is 90 days (2025: 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. In the previous financial year, included in the amounts owing by subsidiaries was dividend receivable from a subsidiary amounted to RM4,796,010.

(e) The currency exposure profile of total receivables are disclosed in Note 32(b)(iv) to the financial statements.

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:

Group	**Gross carrying amount RM**	**Impairment losses RM**	**Net carrying amount RM**
2026			
Collective assessment			
Current	30,941,062	(3,168)	30,937,894
Past due:			
- 1 to 30 days	4,006,871	(2,023)	4,004,848
- 31 to 60 days	1,430,369	-	1,430,369
- 61 to 90 days	346,143	-	346,143
Individual assessment	2,865,359	(2,010,544)	854,815
	39,589,804	(2,015,735)	37,574,069

11. TRADE AND OTHER RECEIVABLES (continued)

(f) (continued)

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

Group	Gross carrying amount RM	Impairment losses RM	Net carrying amount RM
2025			
Collective assessment			
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
Individual assessment	2,000,378	(972,429)	1,027,949
	49,190,180	(976,835)	48,213,345

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:

Group	Lifetime expected credit loss allowance RM	Credit impaired RM	Total RM
Balance as at 1 April 2025	4,406	972,429	976,835
Charge for the financial year	746	1,334,984	1,335,730
Written off	-	(241,727)	(241,727)
Exchange differences	39	(55,142)	(55,103)
Balance as at 31 March 2026	5,191	2,010,544	2,015,735
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	4,406	972,429	976,835

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.

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 TAXES

	Group	
	2026	2025
	RM	RM
Deferred tax assets, net	7,000	-
Deferred tax liabilities, net	(14,912,342)	(15,638,100)
	(14,905,342)	(15,638,100)

12. DEFERRED TAXES (continued)

(a) Recognised deferred tax assets/(liabilities)

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

	Assets		Liabilities		Net	
	2026	2025	2026	2025	2026	2025
Group	RM	RM	RM	RM	RM	RM
Property, plant and equipment	7,000	-	(13,592,037)	(15,744,512)	(13,585,037)	(15,744,512)
Right-of-use assets	-	-	(2,641,746)	(29,305)	(2,641,746)	(29,305)
Lease liabilities	2,812,208	-	-	-	2,812,208	-
Others	-	135,717	(1,490,767)	-	(1,490,767)	135,717
Deferred tax assets/(liabilities)	2,819,208	135,717	(17,724,550)	(15,773,817)	(14,905,342)	(15,638,100)
Set off of tax	(2,812,208)	(135,717)	2,812,208	135,717	-	-
Net deferred tax assets/(liabilities)	7,000	-	(14,912,342)	(15,638,100)	(14,905,342)	(15,638,100)

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. Deferred tax assets are recognsied to the extent it is probable that future taxable profits will be available against which the entities within the Group can utilise the benefits therefrom.

12. DEFERRED TAXES (continued)

(b) Movement in temporary differences during the financial year

Group	Balance as at 1 April 2024 RM	Recognised in profit or loss (Note 27) RM	Exchange differences RM	Balance as at 31 March 2025/1 April 2025 RM	Recognised in profit or loss (Note 27) RM	Exchange differences RM	Balance as at 31 March 2026 RM
Property, plant and equipment	(16,070,584)	(118,480)	444,552	(15,744,512)	1,887,105	272,370	(13,585,037)
Right-of-use assets	(396,916)	350,274	17,337	(29,305)	(2,602,374)	(10,067)	(2,641,746)
Lease liabilities	367,598	(351,139)	(16,459)	-	2,807,756	4,452	2,812,208
Others	121,953	13,764	-	135,717	(1,626,484)	-	(1,490,767)
	(15,977,949)	(105,581)	445,430	(15,638,100)	466,003	266,755	(14,905,342)

13. INVENTORIES

	Group 2026 RM	Group 2025 RM
At cost		
Raw materials	30,152,311	41,565,351
Work-in-progress	3,206,972	3,602,416
Finished goods	31,680,046	35,286,589
	65,039,329	80,454,356
At net realisable value		
Raw materials	1,013,322	1,025,908
Finished goods	948,471	1,238,443
	67,001,122	82,718,707

(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 2026 RM	Group 2025 RM
Cost of inventories	155,036,537	176,455,854
Inventories written back	(172,631)	(394,482)
Inventories written down	171,767	262,640

During the financial year, the Group wrote back RM172,631 (2025: RM394,482) 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.

14. OTHER INVESTMENTS

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Non-current				
Unquoted investment	2,184,172	-	-	-
Current				
Short-term funds	62,559,394	75,586,668	2,283,012	1,997,961
	64,743,566	75,586,668	2,283,012	1,997,961

(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 unquoted investment is determined by reference to the net asset value ('NAV') of the investment. Unquoted investment of the Group is categorised at Level 3 in the fair value hierarchy. The significant unobservable inputs into this valuation method are the valuation of the underlying investment and the assumptions applied by the fund manager in determining the NAV. The estimated fair value would increase if the NAV of the invesment was higher and vice versa. There is no transfer between levels in the hierarchy during the financial year.

(d) Short-term funds are investments in money market and bond funds, 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	
	2026	2025	2026	2025
	RM	RM	RM	RM
Cash and bank balances	45,505,496	37,163,042	46,077	97,180
Deposits with licensed banks	276,045,124	242,548,361	17,304,037	7,886,337
	321,550,620	279,711,403	17,350,114	7,983,517

15. CASH AND BANK BALANCES (continued)

(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.

(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	
	2026	2025	2026	2025
	RM	RM	RM	RM
Cash and bank balances	45,505,496	37,163,042	46,077	97,180
Deposits with licensed banks	276,045,124	242,548,361	17,304,037	7,886,337
	321,550,620	279,711,403	17,350,114	7,983,517
Less:				
Deposits with licensed banks with maturity of more than three (3) months	-	(178,995,989)	-	(2,915,997)
	321,550,620	100,715,414	17,350,114	5,067,520

(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			
	2026		2025	
	Number of shares	Amount RM	Number of shares	Amount RM
Issued and fully paid-up with no par value				
Balance as at 1 April 2025/2024	195,978,060	204,679,470	195,468,760	203,697,692
Issuance of ordinary shares pursuant to ESOS	-	-	509,300	981,778
Balance as at 31 March	195,978,060	204,679,470	195,978,060	204,679,470

16. SHARE CAPITAL (continued)

(a) 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.

(b) In the previous 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.

17. TREASURY SHARES

	Group and Company			
	2026		2025	
	Number of ordinary shares	Amount RM	Number of ordinary shares	Amount RM
Balance as at 1 April 2025/2024	6,620,500	12,466,391	707,500	1,213,641
Purchase of treasury shares	-	-	5,913,000	11,252,750
Balance as at 31 March	6,620,500	12,466,391	6,620,500	12,466,391

(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 30 September 2025, 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.

17. TREASURY SHARES (continued)

(b) In the previous 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) As at 31 March 2026, the ordinary shares held as treasury shares were 6,620,500 units (2025: 6,620,500 units). The number of outstanding ordinary shares in issue and fully paid after deducting the treasury shares held was 189,357,560 (2025: 189,357,560). Treasury shares held have no rights to voting, dividends and other participation in other distribution.

18. RESERVES

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-distributable:				
Exchange translation reserve	13,047,136	21,898,278	-	-
Share options reserve	2,768,250	2,813,637	2,768,250	2,813,637
	15,815,386	24,711,915	2,768,250	2,813,637
Distributable:				
Retained earnings	508,731,139	507,303,204	87,932,275	84,429,371
	524,546,525	532,015,119	90,700,525	87,243,008

(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.

19. TRADE AND OTHER PAYABLES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Trade payables				
Third parties	7,086,038	7,583,231	-	-
Amounts owing to related parties	2,333,464	2,690,702	-	-
	9,419,502	10,273,933	-	-
Other payables				
Third parties	8,510,732	10,329,510	464,130	272,853
Amounts owing to related parties	18,984	41,860	-	-
Accruals	4,943,424	5,651,392	164,040	137,935
	13,473,140	16,022,762	628,170	410,788
	22,892,642	26,296,695	628,170	410,788

(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 (2025: 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.

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 RM121,000,000 (2025: RM126,180,000) of which RM1,200,518 (2025: RM981,591) were utilised at the end of the reporting period.

(b) The Company has given financial guarantee of RM10,700,000 (2025: RM11,460,000) to a supplier of its subsidiary, Higher Kings Mill Limited of which RM909,273 (2025: RM1,388,007) 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.

21. REVENUE

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Revenue from contracts with customers:				
Sale of goods	238,440,350	275,050,295	-	-
Commission income	98,245	80,181	98,245	80,181
Management fee from subsidiaries	-	-	7,260,000	7,422,000
Other revenue:				
Dividend income from:				
- subsidiaries	-	-	7,361,378	12,435,044
- an associate	-	-	348,784	523,176
	238,538,595	275,130,476	15,068,407	20,460,401

Disaggregation of revenue from contracts with customers

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Timing of revenue recognition:				
Transferred over time	2,799,127	3,377,335	7,260,000	7,422,000
Transferred at a point in time	235,739,468	271,753,141	98,245	80,181
Revenue from contracts with customers	238,538,595	275,130,476	7,358,245	7,502,181

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, industrial, 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.

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. EMPLOYEE BENEFITS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Wages, salaries, overtime and bonuses	54,383,387	57,065,180	5,656,041	5,793,491
Contributions to defined contribution plan	4,447,017	4,657,103	994,207	1,036,023
Social security contributions	4,958,661	4,614,592	12,891	12,706
Share options vested under share options scheme	330,197	624,985	117,915	222,220
	64,119,262	66,961,860	6,781,054	7,064,440

Included in employee benefits of the Group and of the Company are Directors' remuneration amounting to RM3,971,430 (2025: RM3,645,565) and RM3,971,430 (2025: RM3,645,565) as further disclosed in Note 23 to the financial statements.

23. DIRECTORS' REMUNERATION

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Directors of the Company				
Directors' fee	348,805	356,740	318,805	326,740
Salaries and other emoluments	3,934,265	3,577,853	3,934,265	3,577,853
Share options vested under share options scheme	37,165	67,712	37,165	67,712
Estimated money value of benefits-in-kind	28,000	28,000	28,000	28,000
	4,348,235	4,030,305	4,318,235	4,000,305
Directors of the subsidiaries				
Directors' fee	44,031	44,300	-	-
Total Directors' remuneration	4,392,266	4,074,605	4,318,235	4,000,305

24. 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.

24. EMPLOYEES' SHARE OPTION SCHEME ('ESOS') (continued)

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

(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--------]			
Date of offer	**Balance as at 1.4.2025**	**Forfeited***	**Balance as at 31.3.2026^**	**Exercisable as at 31.03.2026**
24 June 2022	8,587,800	(1,026,000)	7,561,800	4,980,900
Exercise price (RM)				1.5542

* Due to resignation

^ 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

25. FINANCE COST

	Group	
	2026	2025
	RM	RM
Interest expense on lease liabilities	848,086	38,759

26. PROFIT/(LOSS) BEFORE TAX

Other than those disclosed elsewhere in the financial statements, profit/(loss) before tax is arrived at:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
After charging:				
Auditors' remuneration:				
Statutory audit				
- BDO PLT, Malaysia	240,000	200,000	73,500	68,500
- BDO member firms	602,140	619,195	-	-
- other auditor	5,634	21,440	-	-
Other services				
- BDO PLT, Malaysia	10,500	6,000	10,500	6,000
- BDO member firms	-	11,925	-	-
Bad debts written off	46,480	-	-	-
Foreign exchange loss:				
- realised	9,850,954	14,226,996	209,010	626,801
- unrealised	6,152,991	-	432,172	-
Property, plant and equipment written off	4,136	126,150	-	-
and crediting:				
Bad debts recovered	-	4,787	-	-
Distribution income from short-term funds	971,237	538,213	33,922	31,477
Fair value gain on other investments, net	923,977	987,744	56,130	134,032
Foreign exchange gain:				
- unrealised	-	5,758,874	-	196,730
Gain on disposals of property, plant and equipment	178,459	388,668	-	-
Interest income from:				
- bank balances	10,715,707	11,299,559	451,357	453,188
- other investments	-	1,583,136	-	-
Rental income	1,284,288	1,088,728	-	-

26. PROFIT/(LOSS) BEFORE TAX (continued)

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

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

27. TAX EXPENSE

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Current tax expense based on profit/(loss) for the financial year	7,581,525	10,770,394	158,000	156,000
Under/(Over)provision of tax expense in prior years	60,785	2,749	(1,605)	(3,370)
	7,642,310	10,773,143	156,395	152,630
Deferred tax (Note 12):				
- relating to origination and reversal of temporary differences	160,097	648,581	-	-
- overprovision of deferred tax in prior years	(626,100)	(543,000)	-	-
	(466,003)	105,581	-	-
Withholding tax	17,015	1,424,746	-	-
Tax expense for the financial year	7,193,322	12,303,470	156,395	152,630

(a) Malaysian income tax is calculated at the statutory tax rate of 24% (2025: 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.

27. TAX EXPENSE (continued)

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

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Profit/(Loss) before tax	12,113,442	(30,890,713)	7,070,866	13,008,451
Share of results of equity-accounted associate, net of tax	5,486,270	15,790,763	-	-
	17,599,712	(15,099,950)	7,070,866	13,008,451
Tax at Malaysian statutory tax rate of 24% (2025: 24%)	4,223,931	(3,623,988)	1,697,008	3,122,028
Tax effects in respect of:				
- different tax rates in foreign jurisdictions	96,781	245,211	-	-
- expenses not deductible for tax purpose	4,312,866	16,666,972	332,702	230,120
- income not subject to tax	(576,020)	(1,558,133)	(1,871,710)	(3,196,148)
Withholding tax	17,015	1,424,746	-	-
Tax incentives and allowances	(315,936)	(311,087)	-	-
Under/(Over)provision in prior years:				
- income tax	60,785	2,749	(1,605)	(3,370)
- deferred tax	(626,100)	(543,000)	-	-
	7,193,322	12,303,470	156,395	152,630

27. TAX EXPENSE (continued)

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

Group	Before tax RM	Tax effect RM	After tax RM
2026			
Item that may be reclassified subsequently to profit or loss			
Foreign currency translations	(7,889,575)	-	(7,889,575)
Item that will not be reclassified subsequently to profit or loss			
Share of other comprehensive loss of equity-accounted associate	(1,026,469)	-	(1,026,469)
2025			
Item that may be reclassified subsequently to profit or loss			
Foreign currency translations	(6,144,660)	-	(6,144,660)
Item that will not be reclassified subsequently to profit or loss			
Share of other comprehensive loss of equity-accounted associate	(1,734,077)	-	(1,734,077)

28. EARNINGS/(LOSS) PER ORDINARY SHARE

(a) Basic

Basic earnings/(loss) per ordinary share for the financial year is calculated by dividing the profit/(loss) 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.

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

(a) Basic (continued)

	Group 2026	Group 2025
Profit/(Loss) for the financial year attributable to owners of the parent (RM)	4,839,502	(43,297,912)
Weighted average number of ordinary shares in issue (unit)	195,978,060	195,468,760
Effects of:		
- exercise of ESOS (unit)	-	323,014
- treasury shares held (unit)	(6,620,500)	(3,609,767)
Adjusted weighted average number of ordinary shares applicable to basic earnings/(loss) per ordinary share (unit)	189,357,560	192,182,007
Basic earnings/(loss) per ordinary share (sen)	2.56	(22.53)

(b) Diluted

Diluted earnings/(loss) per ordinary share for the financial year is calculated by dividing the profit/(loss) 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.

	Group 2026	Group 2025
Profit/(Loss) for the financial year attributable to owners of the parent (RM)	4,839,502	(43,297,912)
Weighted average number of ordinary shares in issue applicable to basic earnings/(loss) per ordinary share (unit)	189,357,560	192,182,007
Effect of dilution due to ESOS (unit)	-	1,728,446
Adjusted weighted average number of ordinary shares applicable to diluted earnings/(loss) per ordinary share (unit)	189,357,560	193,910,453
Diluted earnings/(loss) per ordinary share (sen)	2.56	(22.33)

29. DIVIDENDS

	Group and Company			
	2026		2025	
	Dividend per share sen	Amount of dividend RM	Dividend per share sen	Amount of dividend RM
In respect of financial year ended 31 March 2024:				
- single tier final dividend	-	-	3.50	6,754,736
In respect of financial year ended 31 March 2025:				
- single tier final dividend	2.00	3,787,151	-	-
	2.00	3,787,151	3.50	6,754,736

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 2026, 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 2027.

30. CAPITAL COMMITMENT

	Group	
	2026 RM	2025 RM
Capital expenditure in respect of purchase of property, plant and equipment:		
Contracted but not provided for	487,100	41,378

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.

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:

	Group	
	2026	**2025**
	RM	**RM**
Related parties		
Purchases:		
- Asia Educational Supplies Sdn. Bhd.	10,108	21,294
- Dynamic Consulting & Engineering Sdn. Bhd.	91,595	23,870
- Dynamic Office Sdn. Bhd.	55,112	55,641
- RTS Manufacturing Sdn. Bhd.	7,286,471	8,167,309
- Federal Packages Sdn. Bhd.	1,540,129	1,673,964
- Muda Paper Mills Sdn. Bhd.	28,145	28,167
Purchase of property, plant and equipment:		
- Dynamic Office Sdn. Bhd.	11,000	-
Sales:		
- Asia Educational Supplies Sdn. Bhd.	244,601	24,340
- RTS Manufacturing Sdn. Bhd.	461,062	928,271
- Dynamic Office Sdn. Bhd.	66,486	21,620
- Federal Packages Sdn. Bhd.	79,951	19,303
Sales commission income:		
- RTS Manufacturing Sdn. Bhd.	29,555	35,833
Sales commission expense:		
- Dynamic Office Sdn. Bhd.	2,400	-
Rental income:		
- Asia Educational Supplies Sdn. Bhd.	-	9,000
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	62,335	137,026
Rental expense to a Director of a subsidiary and his family member	9,600	9,600

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):

	Company	
	2026	**2025**
	RM	**RM**
An associate		
Dividend income	348,784	523,176
Subsidiaries		
Dividend income	7,361,378	12,435,044
Management fee received	7,260,000	7,422,000

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 23 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.

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.

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Short-term funds	62,559,394	75,586,668	2,283,012	1,997,961
Cash and bank balances	321,550,620	279,711,403	17,350,114	7,983,517
Less: Lease liabilities	(11,717,532)	(770)	-	-
Trade and other payables	(22,892,642)	(26,296,695)	(628,170)	(410,788)
Net cash	349,499,840	329,000,606	19,004,956	9,570,690
Total capital	716,759,604	724,228,198	282,913,604	279,456,087
Net cash	(349,499,840)	(329,000,606)	(19,004,956)	(9,570,690)
	367,259,764	395,227,592	263,908,648	269,885,397
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 2026.

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.

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.

<u>Exposure to credit risk</u>

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.

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:

	Group			
	2026		2025	
	RM	% of total	RM	% of total
By country:				
Malaysia	14,844,347	40%	18,302,209	38%
Asia (excluding Malaysia)	109,199	*	117,393	*
Europe	21,592,543	58%	28,486,240	59%
America	134,076	*	485,104	1%
Others	893,904	2%	822,399	2%
	37,574,069	100%	48,213,345	100%

* Less than 1%

At the end of the reporting period, approximately 26% (2025: 30%) of the trade receivables of the Group were due from one (1) (2025: one (1)) major customer who is located in Europe (2025: 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.

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	More than five (5) years RM	Total RM
2026				
Group				
Financial liabilities				
Trade and other payables	22,892,642	-	-	22,892,642
Lease liabilities	1,377,716	7,530,253	7,347,821	16,255,790
Total undiscounted financial liabilities	24,270,358	7,530,253	7,347,821	39,148,432
Company				
Financial liabilities				
Trade and other payables	628,170	-	-	628,170
Financial guarantee contracts*	2,109,791	-	-	2,109,791
Total undiscounted financial liabilities	2,737,961	-	-	2,737,961
2025				
Group				
Financial liabilities				
Trade and other payables	26,296,695	-	-	26,296,695
Lease liabilities	1,217	-	-	1,217
Total undiscounted financial liabilities	26,297,912	-	-	26,297,912
Company				
Financial liabilities				
Trade and other payables	410,788	-	-	410,788
Financial guarantee contracts*	2,369,598	-	-	2,369,598
Total undiscounted financial liabilities	2,780,386	-	-	2,780,386

* 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.

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.

32. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management (continued)

(iii) Interest rate risk (continued)

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	More than five (5) years RM	Total RM
Fixed rates					
2026					
Lease liabilities	7.50	(511,814)	(4,873,017)	(6,332,701)	(11,717,532)
Deposits with licensed banks	1.51 - 4.10	276,045,124	-	-	276,045,124
2025					
Lease liabilities	3.05	(770)	-	-	(770)
Deposits with licensed banks	1.14 - 4.85	242,548,361	-	-	242,548,361
Company					
Fixed rates					
2026					
Deposits with licensed banks	2.15 - 4.00	17,304,037	-	-	17,304,037
2025					
Deposits with licensed banks	3.00 - 4.70	7,886,337	-	-	7,886,337

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 2026 and 31 March 2025.

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	**GBP**	**USD**
2026	**RM**	**RM**	**RM**
Group			
Trade and other receivables	494,566	577,478	1,471,001
Cash and bank balances	58,864,733	196,116,878	3,586,699
Trade and other payables	(164,890)	-	(1,449,819)
Net currency exposure	59,194,409	196,694,356	3,607,881
Company			
Trade and other receivables	33,349	10,837	-
Cash and bank balances	14,396,316	2,911,073	-
Net currency exposure	14,429,665	2,921,910	-
2025			
Group			
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	53,819,704	179,104,251	6,953,455
Company			
Trade and other receivables	2,485	4,878,992	-
Cash and bank balances	4,977,003	2,916,970	-
Net currency exposure	4,979,488	7,795,962	-

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 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 profit after tax Increase/(Decrease)	
		2026	2025
Group		RM	RM
EUR/RM	- strengthened by 10% (2025: 10%)	4,498,775	4,090,298
	- weakened by 10% (2025: 10%)	(4,498,775)	(4,090,298)
GBP/RM	- strengthened by 10% (2025: 10%)	14,948,771	13,611,923
	- weakened by 10% (2025: 10%)	(14,948,771)	(13,611,923)
USD/RM	- strengthened by 10% (2025: 10%)	274,199	528,463
	- weakened by 10% (2025: 10%)	(274,199)	(528,463)

		Effect on equity Increase/(Decrease)	
		2026	2025
Group		RM	RM
EUR/RM	- strengthened by 10% (2025: 10%)	820,748	881,746
	- weakened by 10% (2025: 10%)	(820,748)	(881,746)
GBP/RM	- strengthened by 10% (2025: 10%)	75,732	509,252
	- weakened by 10% (2025: 10%)	(75,732)	(509,252)

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) 2026 RM	2025 RM
EUR/RM	- strengthened by 10% (2025: 10%)	1,096,655	378,441
	- weakened by 10% (2025: 10%)	(1,096,655)	(378,441)
GBP/RM	- strengthened by 10% (2025: 10%)	222,065	592,493
	- weakened by 10% (2025: 10%)	(222,065)	(592,493)

The effect to the equity of the Company is not presented as it is not affected by the changes in the exchange rates.

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 121 *Lack of Exchangeability*	1 January 2025

Adoption of the above 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.

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 2026

Title	Effective Date
Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to MFRS 9 and MFRS 7 *Contracts Referencing Nature-dependent Electricity*	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 121 *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	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.

List of Properties

LOCATION	DESCRIPTION	LAND AREA (sq.meters)	TENURE	AGE (year)	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	35	5,774	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	31	6,643	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	31	634	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	31	581	April 2000 (*)
05) Lot 1310, Mukim 14, Daerah Seberang Prai Tengah, Penang	Office, Factory cum warehouse	26,540	Freehold	35	9,305	March 2004 (*)
06) PT 43263, H.S.(D) 128696 Mukim Petaling, Daerah Petaling, Selangor	Office, Factory cum warehouse	2,023	Freehold	20	2,099	April 2004 (*)
07) Kasseler Landstraße 12 D-37213 Witzenhausen Germany	Office, Factory cum warehouse	11,983	Freehold	53	4,335	January 2008 (*)
08) Heiligenstädter Straße 32, D-37318 Kirchgandern Germany	Office, Factory cum warehouse	21,840	Freehold	35	5,622	January 2008 (*) March 2009 (*) (Additional Warehouse)
09) Cullompton, Devon EX 15 1Q3 United Kingdom	Office, Factory cum warehouse	52,609	Freehold	-	3,626	September 2011 (*) March 2013 (*) (Additional Warehouse)

LOCATION	DESCRIPTION	LAND AREA (sq.meters)	TENURE	AGE (year)	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	-	2,283	April 2012 (*)
11) Lot 1309, Mukim 14, Daerah Seberang Prai Tengah, Penang	Office, Factory cum warehouse	30,495	Freehold	35	9,722	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	9	5,635	September 2017 (*)
13) Lot PT 17611, Bandar of Sungai Petani, District of Kuala Muda, Kedah Darul Aman	Rented	4,286	Freehold	37	2,339	December 2021
14) H.S (D) 10271, PT 66400, Bandar of Sungai Petani, District of Kuala Muda, Kedah Darul Aman H.S (D) 10272, PT 66401, Bandar of Sungai Petani, District of Kuala Muda, Kedah Darul Aman H.S (D) 10277, PT 66406, Bandar of Sungai Petani, District of Kuala Muda, Kedah Darul Aman H.S (D) 10278, PT 66407, Bandar of Sungai Petani, District of Kuala Muda, Kedah Darul Aman	Office, Factory cum warehouse	17,512	60-year lease expiring on 04-04-2055	25	10,457	December 2021

Shareholdings Statistics
As at 2 July 2026

TOTAL ISSUED SHARES	:	189,357,560 *(excluded of 6,620,500 treasury shares)*
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	99	4,220	0.00
100 to 1,000	301	206,338	0.11
1,001 to 10,000	1,171	5,545,982	2.93
10,001 to 100,000	529	16,505,568	8.72
100,001 to 9,467,877 *	76	62,855,501	33.19
9,467,878 and above **	2	104,239,951	55.05
TOTAL	**2,178**	**189,357,560**	**100.00**

* Less than 5% of issued shares

** 5% and above of issued shares

THIRTY LARGEST DEPOSITORS AS AT 2 JULY 2026

	NAME	NO. OF SHARES	% OF ISSUED CAPITAL
1	PRESTIGE ELEGANCE (M) SDN BHD	83,738,951	44.22
2	SHSL HOLDING SDN. BHD.	20,501,000	10.83
3	LIM SOON HUAT	8,442,127	4.46
4	TEOH CHIN CHIA	7,271,700	3.84
5	LIM SIEW LEE	5,817,860	3.07
6	LIM SOON HEE	4,117,996	2.17
7	JCBNEXT BERHAD	4,038,200	2.13
8	LIM HOOI LING	3,424,256	1.81
9	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	3,109,840	1.64
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)	2,128,000	1.12
12	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG YEE HUI (KLC/KEN)	1,950,000	1.03
13	TEO KWEE HOCK	1,696,300	0.90
14	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO SIEW LAI	1,412,200	0.75
15	BEH PHAIK HOOI	935,528	0.49
16	CIMB GROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR DBS BANK LTD (SFS)	753,400	0.40
17	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SUSY DING (CEB)	665,000	0.35
18	ALMA RUBBER ESTATES SDN. BERHAD	565,600	0.30

THIRTY LARGEST DEPOSITORS AS AT 2 JULY 2026 (continued)

	NAME	NO. OF SHARES	% OF ISSUED CAPITAL
19	TAN AIK CHOON	524,600	0.28
20	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM SOON WAH	510,000	0.27
21	FO KONG MING	500,000	0.26
22	LIM SOON WAH	500,000	0.26
23	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK OF SINGAPORE LIMITED (FOREIGN)	468,600	0.25
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEW REN WEE	461,100	0.24
25	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOH PHAIK NGOH (PENANG-CL)	436,800	0.23
26	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN TIAN SANG @ TAN TIAN SONG(E-PPG)	425,100	0.22
27	OH PHAIK WEE	418,080	0.22
28	KONG TIAM	405,000	0.21
29	GOH YU TIAN	355,100	0.19
30	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MARY TAN @ TAN HUI NGOH (STF)	351,500	0.19
		158,367,068	**83.62**

SUBSTANTIAL SHAREHOLDERS

No.	Name	<------- Direct Interest --------> No. of Shares	% of total issued capital[(a)]	<------ Indirect Interest ------> No. of Shares	% of total issued capital[(a)]
1.	Prestige Elegance (M) Sdn Bhd	83,738,951	44.22	-	-
2.	SHSL Holding Sdn Bhd	20,501,000	10.83	-	-
3.	Dato' Lim Soon Huat	8,442,127	4.46	83,738,951[(b)]	44.22
4.	Datin Lim Siew Lee	5,817,860	3.07	20,501,000[(c)]	10.83
5.	Lim Chin Chin	218,840	0.12	20,501,000[(c)]	10.83
6.	Lim Mei Chin	157,160	0.08	20,501,000[(c)]	10.83
7.	Lim Kuok Yeow	-	-	20,501,000[(c)]	10.83
8.	The Estate of the late Datin Khoo Saw Sim	-	-	83,738,951[(b)]	44.22

(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.
(c) Deemed interest via SHSL Holding Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.

DIRECTORS' SHAREHOLDINGS

No.	Name	<------- Direct Interest -------> No. of Shares	% of total issued capital[(a)]	<------ Indirect Interest -------> No. of Shares	% of total issued capital[(a)]
1.	Dato' Lim Soon Huat	8,442,127	4.46	110,433,811[(b)]	58.32
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 his spouse and children, including their interest held through SHSL Holding Sdn. Bhd. 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 IS HEREBY GIVEN that the Thirty-Second (32nd) 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 Friday, 25 September 2026 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 2026 together with the Reports of the Directors and Auditors thereon. *(Please refer to Explanatory Note 1)*

2. To re-elect Mr. Lee Thean Yew who retires pursuant to Clause 88 of the Company's Constitution and who, being eligible, has offered himself for re-election. *Ordinary Resolution 1*

3. To approve the payment of Directors' fee and benefits payable up to RM600,000 for the period commencing one day after this AGM until the next AGM of the Company in year 2027. *Ordinary Resolution 2*

4. To approve the payment of a single tier final dividend of 2.0 sen per ordinary share for the financial year ended 31 March 2026. *Ordinary Resolution 3*

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

AS SPECIAL BUSINESS

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

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

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

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

   AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

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

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

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

(a) the aggregate number of ordinary shares to be purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company; and

(b) the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the aggregate retained profits of the Company based on its Audited Financial Statements for the financial year ended 31 March 2026 of RM87,932,275;

THAT at the discretion of the Board, the shares of the Company to be purchased are proposed to be cancelled and/or retained as treasury shares and/or distributed as dividends and/or resold on Bursa Securities and/or transferred the shares for the purposes of or under an employees' share scheme in the manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and Bursa Securities MMLR and any other relevant authorities for the time being in force;

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

(i) the conclusion of the next Annual General Meeting of the Company following this general meeting at which such resolution was passed at which time it will lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required by law to be held; or

(iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting;

whichever occurs first.

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

8. 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 2026 will be payable on 22 October 2026 to the Depositors who are registered in the Record of Depositors at the close of business on 2 October 2026, if approved by the shareholders at the forthcoming 32nd AGM on 25 September 2026.

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 2 October 2026 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 2026

(A) Notes: -

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 17 September 2026 (General Meeting Record of Depositors) shall be eligible to participate in the 32nd 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 32nd 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, Lebuh Farquhar, 10200 George Town, Pulau Pinang, Malaysia.

   (ii) By Electronic Means
   The proxy form shall be electronically lodged by email to info@sshsb.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 2026

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

2. Ordinary Resolution 1 – Re-election of Director who 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.

Mr. Lee Thean Yew who retires in accordance with Clause 88 of the Company's Constitution and being eligible, has offered himself for re-election.

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

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

The profile of the Director who is standing for re-election as per Agenda item 2 of the Notice of the 32nd AGM is stated in the Annual Report 2026.

3. **Ordinary Resolution 2 – Proposed payment of Directors' remuneration**

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

Ordinary Resolution 2 – Payment of Directors' fee and benefits for the period commencing one day after this AGM until the next AGM of the Company in year 2027.

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

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

4. **Ordinary Resolution 3 – Declaration of a single tier final dividend for the year ended 31 March 2026**

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 2026, the Board had recommended a final dividend of 2.0 sen per share in respect of this financial year ended 31 March 2026 to be paid to its shareholders subject to the approval of the shareholders at the 32nd AGM of the Company.

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

5. **Ordinary Resolution 4 – Re-appointment of Auditors**

Pursuant to Section 271(3)(b) of the Act, shareholders shall appoint auditors who shall hold office until the conclusion of the next AGM in year 2027. The current auditors, Messrs BDO PLT has expressed their willingness to continue in office.

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

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

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

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

The Company had been granted a general mandate by its shareholders at the last AGM held on 30 September 2025 of which will lapse at the conclusion of the 32nd AGM (hereinafter referred to as the "Previous Mandate").

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

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

The Waiver of Pre-emptive Rights will allow the Directors of the Company to issue new Ordinary Shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

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

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

Please refer to the Share Buy-Back Statement dated 31 July 2026 which is despatched together with the Company's Annual Report 2026 for further information.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 32nd 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 32nd 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 32nd 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 32nd AGM.

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

FORM OF PROXY
Thirty-Second (32nd)
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-Second Annual General Meeting ("**32nd AGM**") of the Company to be held at **Olive Tree Hotel, Level 6, Olive 4 & 5, 76, Jalan Mahsuri, 11950 Bayan Lepas, Penang** on **Friday**, **25 September 2026** 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 2026 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 Mr. Lee Thean Yew as a Director of the Company.				
Resolution 2	To approve the payment of Directors' fee and benefits.				
Resolution 3	To approve a single tier final dividend for the financial year ended 31 March 2026.				
Resolution 4	To re-appoint Messrs. BDO PLT as Auditors of the Company.				
Special Business					
Resolution 5	Authority to issue shares pursuant to the Companies Act 2016 and Waiver of Pre-emptive Rights.				
Resolution 6	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 32nd AGM for the full purpose and intent of the Resolutions to be passed.

Signed this _______ day of _______________, 2026.

____
*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 17 September 2026 (General Meeting Record of Depositors) shall be eligible to participate in the 32nd 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 32nd 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, Lebuh Farquhar, 10200 George Town, Pulau Pinang, Malaysia.
   (ii) By Electronic Means
   The proxy form shall be electronically lodged by email to info@sshsb.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.

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AFFIX
STAMP

The Company Secretaries
ASIA FILE CORPORATION BHD
Registration No. 199401027510 (313192-P)
Suite 18.05, MWE Plaza,
No. 8, Lebuh 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 32nd 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.

Contact
04-642 6601

Website
www.asia-file.com