



NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth (“20th”) Annual General Meeting (“AGM”) of TAFI Industries Berhad (“TAFI” or the “Company”) will be conducted entirely on a fully virtual basis through the online meeting platform of TIIH Online website at <https://tiih.online> (Domain registration number with MYNIC: D1A282781) provided by Tricor Investor & Issuing House Services Sdn Bhd, Malaysia on Thursday, 23rd May 2024 at 11.00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolutions: -

AGENDA

AS ORDINARY BUSINESS

1. To receive the Directors’ Report, Audited Financial Statements and Auditors’ Report for the financial year ended 31st December 2023. (Please refer to Explanatory Note 1)
2. To approve the payment of Directors’ fees and Directors’ benefits for an amount not exceeding RM5.0 million for the period from this AGM till the date of the next AGM of the Company. (Ordinary Resolution 1)
3. To re-elect the following Directors who retire in accordance with the Constitution of the Company (“the Constitution”): -
 - (i) Dato’ Sri Ong Chee Kean pursuant to Clause 77(2) of the Constitution (Ordinary Resolution 2)
 - (ii) Dato’ Sri Azlan Bin Azmi pursuant to Clause 77(2) of the Constitution (Ordinary Resolution 3)
 - (iii) Dato’ Sri Andrew Lim Eng Guan pursuant to Clause 77(2) of the Constitution (Ordinary Resolution 4)
 - (iv) Madam Pang Chia Tyng pursuant to Clause 79 of the Constitution (Ordinary Resolution 5)
4. To re-appoint Ecovis Malaysia PLT as Auditors of the Company and authorise the Directors to fix their remuneration. (Ordinary Resolution 6)

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications: -

5. **AUTHORITY TO ISSUE AND ALLOT SHARES OF THE COMPANY PURSUANT TO SECTIONS 75 & 76 OF THE COMPANIES ACT 2016** (Ordinary Resolution 7)

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option of offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such New Shares issued during the preceding 12 months does not exceed ten per centum (10%) of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed General Mandate”).

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company held after the approval was given;
 - (b) the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
 - (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,
- whichever is the earlier.

THAT pursuant to Section 85 of the Companies Act, read together with Clause 12(3) of the Constitution of the Company, the shareholders do hereby waive the statutory preemptive rights to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of New Shares pursuant to the Proposed General Mandate.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

6. **PROPOSED RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** (Ordinary Resolution 8)

“THAT, subject always to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), approval be and is hereby given to the Company and its subsidiaries (collectively the “Group”) to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 5(a) of the Circular to Shareholders dated 24th April 2024, provided that such transactions and/or arrangements are (“Proposed Renewal of Shareholders’ Mandate”):-

- (a) necessary for the Group’s day-to-day operations
- (b) are undertaken in the ordinary course of business, at arm’s length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public; and
- (c) not detrimental to the minority shareholders of the Company;

THAT the Proposed Renewal of Shareholders’ Mandate shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time it will lapse, unless by a resolution passed at said AGM, such authority is renewed; or
 - (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“Act”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,
- whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed Renewal of Shareholders’ Mandate.”

7. **PROPOSED NEW SHAREHOLDERS’ MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE** (Ordinary Resolution 9)

“THAT, subject always to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), approval be and is hereby given to the Company and its subsidiaries (collectively the “Group”) to enter into and give effect to the additional recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 5(b) of the Circular to Shareholders dated 24th April 2024, provided that such transactions and/or arrangements are (“Proposed New Shareholders’ Mandate”):-

- (a) necessary for the Group’s day-to-day operations
- (b) are undertaken in the ordinary course of business, at arm’s length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public; and
- (c) not detrimental to the minority shareholders of the Company;

THAT the Proposed New Shareholders’ Mandate shall continue to be in full force until:-

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time it will lapse, unless by a resolution passed at said AGM, such authority is renewed; or
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“Act”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed New Shareholders' Mandate."

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 2016.

**BY ORDER OF THE BOARD
TAFI INDUSTRIES BERHAD**

WONG SIEW YEEN (MAICSA 7018749) (SSM PC No. 202008001471)

TEE THIAM CHAI (MAICSA 7066679) (SSM PC No. 202008002297)

**Kuala Lumpur
Company Secretaries
24th April 2024**

NOTES:

IMPORTANT NOTICE

1. The 20th AGM of the Company will be conducted entirely on fully virtual basis through live streaming in line with the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia. All meeting participants including the Chairman of the meeting, board members, senior management and shareholders are required to participate in the meeting online.
2. Members are to attend, speak (including posting questions to the Board in the form of real time submission of typed texts) and vote (collectively, "**participate**") remotely at the AGM of the Company by using the Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn Bhd via its TIIH Online website at <https://tiih.online>.
Please refer to the Procedures for RPV via RPV facilities in the Administrative Guide for the 20th AGM in order to participate remotely via RPV facilities.

APPOINTMENT OF PROXY

1. For the purpose of determining who shall be entitled to attend in this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 16th May 2024. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV facilities.
2. A member who is entitled to participate in this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to participate at this AGM of the Company may appoint not more than two (2) proxies to participate instead of the member at this AGM.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").
5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one 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. An exempt authorised nominee refers to an authorised nominee defined under Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. A member who has appointed a proxy or attorney or authorised representative to participate at this AGM via RPV facilities must request his/her proxy or attorney or authorised representative to register himself/herself for RPV facilities via TIIH Online website at <https://tiih.online>. Procedures for RPV facilities can be found in the Administrative Guide for the 20th AGM.
9. The appointment of a proxy may be made in a hard copy 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 AGM or adjourned AGM at which the person named in the appointment proposes to vote:

In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

By electronic form

In the case of an appointment made via electronic mean, the proxy form can be electronically submitted to the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd via TIIH Online at

<https://tiih.online>. (Kindly refer to the Administrative Guide for the 20th AGM).

10. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging the proxy form is **Tuesday, 21st May 2024 at 11.00 a.m.**
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. For a corporate member who has appointed an authorised representative instead of a proxy to participate in this AGM, please deposit the **ORIGINAL** certificate of appointment of authorised representative executed in the manner as stated in the proxy form if this has not been lodged at the Company's Share Registrar earlier.
14. It is important that Shareholders read the Administrative Guide for the 20th AGM for the conduct of this AGM.
15. Shareholders are advised to check the Company's website at <https://welcome.tafi.com.my> and announcements from time to time for any changes to the administration of this AGM.

EXPLANATORY NOTES ON ORDINARY BUSINESS:

Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR of Bursa Securities"), all resolutions set out in the Notice of 20th AGM will be put to vote on a poll.

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31st DECEMBER 2023

This item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 ("CA2016") does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is **not put forward for voting**.

2. ORDINARY RESOLUTION 1: PAYMENT OF DIRECTORS' FEES AND BENEFITS

Section 230(1) of the CA2016 provides that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The proposed Directors' fees and Directors' benefits for the period from this AGM till the date of the next AGM of the Company will be paid upon shareholders' approval at the forthcoming AGM. In the event the proposed amount is insufficient, due to enlarged Board size or more meetings, shareholders' approval will be sought for the shortfall.

3. ORDINARY RESOLUTIONS 2 TO 5: RE-ELECTION OF DIRECTORS

The following Directors are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 20th AGM pursuant to the Constitution of the Company: -

- (i) Dato' Sri Ong Chee Kean pursuant to Clause 77(2) of the Constitution
- (ii) Dato' Sri Azlan Bin Azmi pursuant to Clause 77(2) of the Constitution
- (iii) Dato' Sri Andrew Lim Eng Guan pursuant to Clause 77(2) of the Constitution
- (iv) Madam Pang Chia Tyng pursuant to Clause 79 of the Constitution

The profiles of the Directors who are standing for re-election under Ordinary Resolutions 2, 3, 4 and 5 are set out in the Board of Directors' profile of the 2023 Annual Report.

The Board has through the Nominating Committee, considered the assessment of the aforesaid Directors and agreed that they meet the criteria as prescribed by Paragraph 2.20A of the MMLR of Bursa Securities on character, experience, integrity, competence and time to effectively discharge their roles as Directors. All of them have also met the relevant requirements under the fit and proper assessment.

Madam Pang Chia Tyng, Independent Non-Executive Director, has provided her confirmation of fulfilment to the independence criteria prescribed by the MMLR of Bursa Securities. She has also confirmed that she does not have any existing or potential conflict of interest, business, family or other special relationship within or outside of the Company that could impair her independent judgement.

The Board (save for the aforesaid Directors who are subject to retirement who have abstained from deliberation on discussions relating to their own re-election at the Nominating Committee and Board of Directors' meetings) supports the re-election of the aforesaid Directors as it believes that they have discharged their duties and responsibilities effectively, demonstrated commitment to their role, and will continue to contribute towards the long-term success of the Company.

4. ORDINARY RESOLUTION 6: RE-APPOINTMENT OF AUDITORS

The Board has through the Audit Committee, considered the re-appointment of Ecovis Malaysia PLT as Auditors of the Company. The factors considered by the Audit Committee in making the recommendation to the Board to table the resolution on re-appointment of the Auditors at the 20th AGM are disclosed in the Corporate Governance Overview Statement of the 2023 Annual Report.

EXPLANATORY NOTES ON SPECIAL BUSINESS

1. ORDINARY RESOLUTION 7: PROPOSED AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

The proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company to issue and allot ordinary shares of the Company from time to time and grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of such shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being ("Proposed General Mandate").

The authority for the Proposed General Mandate will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

By voting in favour of the Proposed General Mandate, the shareholders of the Company would be waiving their statutory preemptive right. The Proposed General Mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company to any person under the Proposed General

Mandate without having to offer the new Company shares to be issued equally to all existing shareholders of the Company prior to issuance of the new shares.

Please refer to the Statement accompanying the Notice of AGM for further information.

2. ORDINARY RESOLUTION 8: PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The proposed Ordinary Resolution 8, if passed, will renew the authority given to the Company and its subsidiaries ("TAFI Group") to enter into recurrent related party transactions of a revenue or trading nature which are necessary for TAFI Group's day-to-day operations with the respective related parties, subject that the transactions are transacted in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

3. ORDINARY RESOLUTION 9: PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The proposed Ordinary Resolution 9, if passed, will recognise TAFI Group to enter into new recurrent related party transactions of a revenue or trading nature which are necessary for TAFI Group's day-to-day operations with the respective related parties, subject that the transactions are transacted in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company.

ANNUAL REPORT AND CIRCULAR TO SHAREHOLDERS

Should you require a printed copy of the 2023 Annual Report and/or Circular to Shareholders, kindly request through the online system with our Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd via TIIH Online Website at <https://tiih.online> by selecting "Request for Annual Report" under the Investor Services. Alternatively, you may also make your request through email to our Share Registrar (is.enquiry@my.tricorglobal.com).

The printed copy of the 2023 Annual Report and/or Circular to Shareholders shall be provided to the shareholders within four (4) market days from the date of receipt of their written request.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Directors standing for election

As at date of this notice, there are no individuals who are standing for election or appointment as Directors at the 20th AGM.

General mandate for issue of shares

The proposed Ordinary Resolution 7 is a renewal of the previous year's mandate. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/ or for issuance of shares as settlement of purchase consideration, or other circumstances arise which involve grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such other application as the Directors may deem fit in the best interest of the Company.

As at the date of this notice, the Company did not implement its proposal for new allotment of shares under the general mandate pursuant to Section 75 and 76 of the Companies Act 2016 which was approved by shareholders at the 19th AGM held on 24th May 2023 and lapse at the conclusion of the 20th AGM to be held on 23rd May 2024. As at the date of this notice, there is no decision to issue new shares. Should there be a decision to issue new shares after the general mandate is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.