

PRESS RELEASE

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TAFI INDUSTRIES BERHAD



Sitting Left to Right. 1. Encik Abdul Malek Jalil, KPF2 Head of Investment
2. Encik Mohd Zaidi Malik, KPF2 Treasurer 3. Encik Mahadzir Mustafa, KPF2 Chairman
4. Dato' Sri Azlan Bin Azmi, TAFI Group Managing Director
Standing Left to Right. 1. Puan Norfazilah Binti Dahari, KPF2 Manager
2. Dato' Sri Bryan Wong, TAFI Group CEO 3. Dato' Sri Ong Chee Kean, TAFI
Non-Independent Non-Executive Chairman

KOPERASI PERMODALAN FELDA MALAYSIA 2 BERHAD (“KPF2”) BECOMES SUBSTANTIAL SHAREHOLDER IN TAFI INDUSTRIES BERHAD (“TAFI”)

• *KPF2 increased its shareholdings in TAFI to 12,647,570 shares, which represents 10.205% of TAFI's share capital excluding treasury shares.*

KUALA LUMPUR, 02 DECEMBER 2021 - TAFI Industries Berhad (“TAFI” or “the Company”) had via Bursa filing dated 02 December 2021 announced that Koperasi Permodalan Felda Malaysia 2 Berhad (“KPF2”) had become a substantial shareholder of TAFI when KPF2 increased its shareholdings in TAFI to 12,647,570 shares on 02.12.2021, which represents 10.205% of TAFI's share capital excluding treasury shares.

KPF2 had acquired the 12,647,570 TAFI's shares from controlling shareholder, Armani Synergy Sdn Bhd via direct business transaction.

Armani Synergy Sdn Bhd still remains the controlling shareholder of TAFI via its holdings of 64,861,430 TAFI shares which represents 52.335% of TAFI's share capital excluding treasury shares.

KPF2 was incorporated on 15 April 2011 and has 19,112 members as of October 2021. KPF2 is mainly involved in investment in equity shares, properties, trading and agro business.

The Board Members of KPF2 are led by Encik Mahadzir Mustafa (Chairman) who is supported by Encik Erwan Aman (Secretary), and Encik Mohd Zaidi Malik (Treasurer) and nine other Board Members.

KPF2's Chairman of Investments Committee, Encik Abdul Malek Jalil said that KPF2 is optimistic about the future prospects of furniture and property development industry and had invested in TAFI to gain exposure to the said industries to enhance investment returns for its members.

TAFI Group Managing Director, Dato' Sri Azlan bin Azmi said that the investment in TAFI by institutional investor such as KPF2 is a vote of confidence on the long term prospects of TAFI's furniture and property development businesses and we will strive to deliver the greatest return to our stakeholders and investors.

"We understand that KPF2 will be seeking for Board representation in TAFI in due course and we look forward to having more unbiased views to board deliberations and evaluations of the company's performance and its business strategies", said Dato' Sri Azlan.

"We are confident that bringing KPF2 on board TAFI as a substantial shareholder will also give rise to synergies as TAFI will be able to market its furniture products and property offerings to KPF2's members", added Dato' Sri Azlan.

"Members of KPF2 are also able to purchase our furniture products on subscription plans via TAFI's collaboration with OMG Free Reno Sdn Bhd which provide subscription based plans for the supply of furniture and property renovation works", says Dato' Sri Azlan.

About TAFI Group

TAFI Group was publicly listed on Bursa Malaysia Securities under TAFI Industries Berhad in 2005.

The Group is principally involved in the manufacturing and trading of furniture for export and local market and had also diversified into property development and construction related businesses.

Furniture Business Segment

The manufacturing and trading of furniture is mainly carried out via wholly owned subsidiary T.A. Furniture Industries Sdn. Bhd. (TA).

Since its early beginning in 1989, TA has been operating as a wood-base panel system office furniture manufacturer. TA initially concentrated on the local market and started to venture into the export market in 1992.

TAFI Group's furniture segment initially specialized in ergonomic and modernized designs of office furniture as well as providing quality and timely delivery of furniture to its customers. With the continuous efforts to improvise the office system designs, TAFI has successfully established itself as one of the pioneers in the manufacturing of wood-based panel system office furniture in Malaysia.

Leveraging on its extensive experience in office furniture, TAFI Group subsequently ventured into home furniture development specializing in wood-based panel system. TAFI's home furniture includes products for living rooms, bedrooms and study rooms and they come in various sizes, shapes and designs along with specialized in OEM production for the local and global customers exclusively. TAFI's furniture products are being exported to major target markets in USA, UK, Europe, Middle East and New Zealand.

In 2000, TA successfully obtained the prestigious ISO 9001:2000 in recognition of its quality management system and was updated to ISO 9001:2015 in 2018.

TA's sustainable design of quality and durable products and services focus on reducing the use of non-renewable resources, minimizing environmental impacts and taking into great consideration people in their natural environment. TA obtained FSC (Forestry Stewardship Certification) in June 2008.

TA has been audited by independent third party for compliance to SMETA, RESA, FCCA etc.

Property Development and Construction Related Business Segment

The property development business of the Group is under wholly owned subsidiaries, TAFI Development Sdn. Bhd. and Gerak Mahir Sdn. Bhd. whilst the construction related business of the Group is under wholly owned subsidiary, TAFI Home & Office Sdn. Bhd. (formerly known as Home & Office Furniture Sdn. Bhd.).

For more information: <https://welcome.tafi.com.my/>

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