



PRESS RELEASE

TAFI INDUSTRIES BERHAD REPORTS RESILIENT 2Q 2021 PERFORMANCE

- Net profit of RM0.31 million in the first six months this year compared to a loss of RM2.13 million in last year, on the back of a 32.3% increase in revenue at RM15.25 million.
- *Company losses narrow to RM0.74 million in 2Q. Reduce 43.1% compared to previous corresponding quarter.*
- *Expand local furniture market with Two (2) MOUs with Signature Group and OMG Free Reno Sdn Bhd.*
- *Kick-start on first property development project with GDV of RM390m and coming soon more property development projects.*

KUALA LUMPUR, 22 SEPTEMBER 2021 - TAFI Industries Berhad (“TAFI” or “the Company”) posted a resilient second quarter financial performance with loss before tax reduced 43.1% to RM0.74 million compared to previous corresponding quarter, supported by higher export sales to the oversea customer and insurance claim of flood received during the quarter.

Revenue increased 8.3% to RM5.9 million in the quarter ended 30 June 2021 as compared to the preceding year corresponding quarter.

Net Loss drops 43% during the quarter to RM0.74 million. This resulted in a reduction in earnings per share loss of 0.87 sen, compared with 1.69 sen a year ago.

Cumulatively, TAFI Group turned to net profit of RM0.31 million in the first six months this year compared to a loss of RM2.13 million in last year, on the back of a 32.3% increase in revenue at RM15.25 million.

On 25 August 2021, the Company and its wholly owned unit T.A. Furniture Industries Sdn Bhd announced a strategic partnership with kitchen furniture manufacturer and retailer Signature Group (under Signature International Bhd) and online-based subscription renovation platform OMG Free Reno Sdn Bhd to increase local sales of furniture and accessories.

TAFI Group Chief Executive Officer, Dato’ Sri Wong Sze Chien said the pandemic has caused the uncertainties in the business environment and resulted in disruptions in the global supply chain. In our export sales, buyers are facing the shortage of containers and the shipping cost is increased significantly.

“Despite the higher shipping cost and operation lock-downs, furniture orders remain on track from oversea market for TAFI Group to deliver a profit for financial year ending 31 December 2021.” said Dato’ Sri Wong.

Local market retail and contract sales is increasing and is expected to contribute a significant portion of TAFI Group’s revenue from furniture segment due to the tendering of government and non-government furniture contracts and also via the strategic partnership with Signature Group and OMG Free Reno Sdn Bhd.

Revenue from TAFI Group's property development segment is also expected to start coming in year 2022 from TAFI Group's maiden mixed-development property development project at Habu, Cameron Highlands in the state of Pahang with estimated Gross Development Value (GDV) of RM390 million.

"In addition, the group is in the midst of discussion with various parties for land joint ventures with a total estimated GDV of RM2 billion, much of which we hope to realise into confirmed agreements." Dato' Sri Wong says.

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, Home & Office Furniture Sdn Bhd.

The Group ventured into property development in year 2020 via its maiden mixed-development property development project at Habu, Cameron Highlands in the state of Pahang, Malaysia via TAFI Development Sdn Bhd.

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

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