

PRESS RELEASE

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TAFI INDUSTRIES BERHAD

REPORTS RESILIENT Q1 2023 PERFORMANCE

- TAFI Group making profit after tax of RM108 thousand in Q1 of 2023
- The Group continues to remain profitable for two consecutive financial years since the change in management during last quarter of 2020
- Current management's efforts to streamline, increase efficiency and also grow TAFI Group's business operations has been successful and is confident that TAFI Group will continue to be profitable and show increasing profits in the future.

Financial Performance	Individual Quarter (Q1)		Cumulative Quarter (3 months)	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Revenue (RM'mil)	10.768	12.089	10.768	12.089
Profit after tax (RM'mil)	0.108	0.182	0.108	0.182
Basic EPS (sen)	0.03	0.05	0.03	0.05
Diluted EPS (sen)	0.03	0.05	0.03	0.05

Furniture Segment

- Company is working on introducing new models to expand export market share and expansion of furniture business by tendering for local projects for supply of furniture.

Property Development Segment

- Construction work on maiden property development project in Habu, Pahang with estimated Gross Development Value (GDV) of RM390 million has commenced in fourth quarter (Q4) 2022.
- Other existing property development projects mainly within vicinity of Kuantan, Pahang with estimated GDV of RM621.50 million progressing within timeline with pre-consult submitted for development orders.
- Total estimated GDV of TAFI Group's property developments projects on-hand is now around RM1.01 billion.

Construction segment

- Outstanding order book of approximately RM345.9 million after taking into account two (2) new ongoing construction contracts secured during year 2023 with a total value of RM20.66 million.

KUALA LUMPUR, 29 MAY 2023 - TAFI Industries Berhad ("TAFI" or "the Company") posted a resilient first quarter (Q1) 2023 financial performance with revenue of RM10.768 million and profit after tax of RM108 thousand.

The Group continues to remain profitable for the two consecutive financial years ended 31 December 2021 and 31 December 2022 since the change in management of the Group during the last quarter of 2020.

TAFI Group Chief Executive Officer Dato' Sri Bryan Wong (王世坚) said that current management's efforts to streamline, increase efficiency and also grow TAFI Group's business operations has been successful and is confident that TAFI Group will continue to be profitable and show increasing profits in the future.

The Group is working towards launching new furniture models to expand its market share in the European and Middle East markets to widen its customer base and also working towards securing more orders for local projects market for supply of furniture and related products in response to the slowdown in export market of furniture especially in North America and Europe due to challenges from high cost of living resulting in reduced demand from consumer market and overstocking by major buyers.

Construction work on the Group's maiden property development at Habu, Pahang with estimated gross development value (GDV) of RM390 million had commenced in fourth quarter (Q4) 2022.

Dato' Sri Bryan said, "We will continue working towards expanding the Group's property development business by securing more joint ventures for property development projects to add on to our existing six (6) joint venture property development projects with a total estimated GDV of about RM1.01 billion".

The Group's construction business currently has an outstanding order book of approximately RM345.9 million after taking into account two (2) new ongoing construction contracts secured during year 2023 with a total value of RM20.66 million.

"TAFI Group's construction business is progressing well and we are currently working towards tendering and securing more construction contracts from both the private sector and also government sector to further grow our revenue stream from construction contracts by leveraging on G7 licence issued by the Construction Industry Development Board ("CIDB") which allows us to tender for construction projects of unlimited value", added Dato' Sri Bryan.

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 its wholly owned subsidiary, T.A. Furniture & Projects Sdn Bhd (formerly known as T.A. Furniture Industries Sdn Bhd) (TAFPSB).

Since its early beginning in 1989, TAFPSB has been operating as a wood-base panel system office furniture manufacturer. TAFPSB 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, TAFPSB successfully obtained the prestigious ISO 9001:2000 in recognition of its quality management system and was updated to ISO 9001:2015 in 2018.

TAFI'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. TAFPSB obtained FSC (Forestry Stewardship Certification) in June 2021.

TAFPSB 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 and T.A. Furniture & Projects Sdn Bhd (formerly known as T.A. Furniture Industries Sdn Bhd)

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

Media Contact:

Mr. Tay Ek Kuan (Mobile No.: +6012-6969852)

ektay@tafur.com.my

TAFI Industries Berhad

PLO 3, Kawasan Perindustrian Bukit Pasir, Mukim Sungai Raya,
84300 Bukit Pasir, Muar, Johor, Malaysia.

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