



**TAFI INDUSTRIES BERHAD**  
Registration No. 200401002432 (640935-P)  
(Incorporated in Malaysia)

## **NOTICE OF EIGHTEENTH ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 18th Annual General Meeting 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 Wednesday, 18<sup>th</sup> May 2022 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 31<sup>st</sup> December 2021. (Please refer to Note 1)
2. To approve the payment of Directors’ fees and Directors’ benefits for an amount not exceeding RM3.0 million for the financial year ending 31<sup>st</sup> December 2022 as recommended by the Directors. (Resolution 1)
3. To re-elect the following Directors who retire in accordance with Clause 77(2) and Clause 79 of the Constitution of the Company, and being eligible, have offered themselves for re-election: -
  - (i) Dato’ Sri Azlan Bin Azmi – Clause 77(2) (Resolution 2)
  - (ii) Dato’ Sri Wong Sze Chien – Clause 77(2) (Resolution 3)
  - (iii) Dato’ Sri Andrew Lim Eng Guan – Clause 77(2) (Resolution 4)
  - (iv) Abdul Malek Bin Jalil – Clause 79 (Resolution 5)
4. Ordinary Resolution (Ordinary Resolution 6)  
**Appointment of Messrs. Ecovis Malaysia PLT as Auditors for the financial year ending 31<sup>st</sup> December 2022**

THAT Messrs. Ecovis Malaysia PLT, having consented to act, be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, Messrs. Peter Chong & Co., to hold office until the conclusion of the next Annual General Meeting and to authorised the Directors to determined their remuneration.”

### **AS SPECIAL BUSINESS**

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

5. Ordinary Resolution (Ordinary Resolution 7)  
**Authority to Issue and Allot Shares of the Company pursuant to Sections 75 & 76 of the Companies Act 2016**

“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 or 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 discretion deem fit, provided that the aggregate number of such New Shares to be issued and allotted, 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 shares issued during the preceding 12 months does not exceed 20% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed 20% General Mandate”).

THAT such approval on the Proposed 20% General Mandate shall continue to be in force until 31<sup>st</sup> December 2022.

THAT with effect from 1<sup>st</sup> January 2023, the general mandate shall be reinstated from a 20% limit to a 10% limit pursuant to Paragraph 6.03 of the Listing Requirements provided that the aggregate number of such New Shares to be issued and allotted, 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 by the Company 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 discretion deem fit, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed 10% General Mandate”).

THAT such approval on the Proposed 10% 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.

(The Proposed 20% General Mandate and Proposed 10% General Mandate shall hereinafter refer to as “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 to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.

6. Ordinary Resolution

(Ordinary Resolution 8)

**Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

"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 18<sup>th</sup> April 2022, provided that such transactions and/or arrangements which are necessary for the Group's day-to-day operations 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 not detrimental to the minority shareholders of the Company ("Proposed Renewal of Shareholders' Mandate"):-

THAT the Proposed Renewal of Shareholders' Mandate shall only 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 Renewal of Shareholders' Mandate."

7. Ordinary Resolution

(Ordinary Resolution 9)

**Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature**

"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 18<sup>th</sup> April 2022, provided that such transactions and/or arrangements which are necessary for the Group's day-to-day operations 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 not detrimental to the minority shareholders of the Company ("**Proposed New Shareholders' Mandate**").

THAT the Proposed New Shareholders' Mandate shall only 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

**TEH SOO YEE** (LS0010368)  
SSM PC No.: 201908003457

Company Secretaries

18<sup>th</sup> April 2022

## **NOTES:**

### **1. IMPORTANT NOTICE**

- (a) *The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting.*
- (b) *Shareholders will not be allowed to attend this AGM in person at the Broadcast Venue on the day of the meeting.*
- (c) *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 Facilities (“**RPV**”) provided by Tricor Investor & Issuing House Services Sdn Bhd (“**Tricor**”) at its TIIH Online website at <https://tiih.online>.*
- (d) *Please refer to the Procedures to Remote Participation and Voting via RPV in the Administrative Guide for the AGM in order to participate remotely via RPV.*

### **2. APPOINTMENT OF PROXY**

- (a) *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 11<sup>th</sup> May 2022. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV.*
- (b) *A member 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.*
- (c) *A member of the Company who is entitled to participate in this AGM of the Company may appoint not more than two (2) proxies to participate instead of the member at this AGM.*
- (d) *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 of Bursa Malaysia Securities Berhad.*
- (e) *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.*
- (f) *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.*
- (g) *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.*
- (h) *A member who has appointed a proxy or attorney or authorised representative to participate at this AGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV via TIIH Online website at <https://tiih.online> Procedures for RPV can be found in the Administrative Guide for the AGM.*

- (i) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn Bhd, 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.
- (j) 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, 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. The website to access TIIH Online is <https://tjih.online> (Kindly refer to the Administrative Guide for the AGM).

- (k) Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
- (l) Last date and time for lodging the proxy form is Monday, 16<sup>th</sup> May 2022 at 11:00 a.m.
- (m) For a corporate member who has appointed a representative instead of a proxy to participate in this AGM, please deposit the ORIGINAL certificate of appointment executed in the manner as stated in the proxy form if this has not been lodged at the Company's Share Registrar earlier.
- (n) It is important that you read the Administrative Guide for the conduct of this AGM.
- (o) 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 that may be necessitated by changes to the directive safety and precautionary requirements and guidelines prescribed by the Government of Malaysia, the Ministry of Health, the Malaysia National Security Council, Securities Commission Malaysia and/other relevant authorities.

## **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 18<sup>th</sup> AGM will be put to vote on a poll.

### **1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> DECEMBER 2021**

The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 ("CA2016") for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put 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. Pursuant thereto, shareholders' approval will be sought at this AGM on the Directors' fees and Directors' benefits for the financial year ending 31<sup>st</sup> December 2022.

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

Clause 77(2) of the Constitution of the Company provides that one-third of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company and Clause 79 of the Constitution stated that a Director so appointed by the Board from time to time shall hold office only until the next following AGM, and shall then be eligible for re-election.

The Directors standing for re-election at the AGM pursuant to the Constitution of the Company are: -

- (i) Dato' Sri Azlan Bin Azmi – Clause 77(2)
- (ii) Dato' Sri Wong Sze Chien – Clause 77(2)
- (iii) Dato' Sri Andrew Lim Eng Guan – Clause 77(2)
- (iv) Abdul Malek Bin Jalil – Clause 79

The Board has through the Nominating Committee, considered the assessment of the 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.

**4. ORDINARY RESOLUTION 6: APPOINTMENT OF AUDITORS IN PLACE OF RETIRING AUDITORS**

The Audit Committee had at its meeting held on 6<sup>th</sup> April 2022 assessed the suitability and independence of Messrs. Ecovis Malaysia PLT and recommended the appointment of Messrs. Ecovis Malaysia PLT as External Auditors of the Company in place of the retiring Auditors, Messrs. Peter Chong & Co. for the financial year ending 31<sup>st</sup> December 2022.

The Board of Directors has in turn reviewed the recommendation of the Audit Committee and proposed the same be tabled to the shareholders for approval at the forthcoming AGM of the Company. The Board of Directors would like to thank Messrs. Peter Chong & Co. for their diligence and dedications to the Company over the past years.

**5. 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, seeking a renewal of the general mandate is to provide flexibility to the Company to issue new securities 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.

Bursa Malaysia Securities Berhad had via a letter dated 23<sup>rd</sup> December 2021 allowed listed issuers to seek a higher general mandate under Paragraph 6.03 of the Main Market Listing Requirements of not more than 20% of the total number of issued shares (excluding treasury shares) for issue of securities ("20% General Mandate"), which may be utilised to issue new securities until 31<sup>st</sup> December 2022. With effect from 1<sup>st</sup> January 2023, the 20% General Mandate will be reinstated to a 10% limit ("10% General Mandate") according to Paragraph 6.03 of the Main Market Listing Requirements.

In light of the economic challenges brought about by the global Coronavirus Disease (Covid-19) pandemic, the Board of Directors is of the opinion that the 20% General Mandate is useful for the Company to meet its financial needs during the period covered and therefore, it is in the best interest of the Company and its shareholders. Should the 20% General Mandate be exercised, the Directors will utilise the proceeds raised for working capital or such other applications they may in their absolute discretion deem fit.

As at the date of the Notice, the Company did not issue any shares pursuant to the mandate obtained at the 17<sup>th</sup> AGM.

The Company had allotted and issued 252,951,400 new ordinary shares in the Company (“Bonus Shares”) on the basis of 2 bonus shares for every 1 existing TAFI share in relation to Bonus Issue of Shares approved by the shareholders at the Extraordinary General Meeting of the Company held on 21<sup>st</sup> January 2022.

6. **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.

7. **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 authorise the TAFI Group to enter into new recurrent related party transactions of a revenue or trading nature which are necessary for the 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 2021 Annual Report and Circular to Shareholders, kindly request through the online system at our Share Registrar (“TIIH Online”), Tricor Investor & Issuing House Services Sdn Bhd, at website <https://tiih.online> by selecting “Request for Annual Report/Circular to Shareholders” 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 2021 Annual Report and Circular to Shareholders shall be provided to the shareholders within four (4) market days from the date of receipt of their written request.