

**PRESS RELEASE**

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**TAFI INDUSTRIES BERHAD**

**REPORTS RESILIENT Q4 2022 PERFORMANCE**

- TAFI Group making profit after tax of RM0.260 million in Q4 bringing total profit after tax for the 12 months until 31 December 2022 to RM10.050 million.
- Net profit for year 2022 increased to RM10.050 million compared to net profit of RM5.493 million for last year, on the back of a 67.22% increase in revenue at RM72.804 million.
- 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 show increasing profits in the future.

Financial Performance	Individual Quarter (Q4)		Cumulative Quarter (12 months)	
	31-12-2022	31-12-2021	31-12-2022	31-12-2021
Revenue (RM'mil)	21.557	18.646	72.804	43.539
Profit after tax (RM'mil)	0.260	3.258	10.050	5.493
Basic EPS (sen) #	0.07	1.17	2.66	2.10
Dividend (sen)	-	-	-	-

# After bonus issue of shares which was completed in February 2022.

**Furniture Segment**

- 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.
- Entered into 5 Joint Venture Agreements (JVAs) of property development projects mainly within vicinity of Kuantan, Pahang in Q3 2021 with estimated GDV of RM621.5 million.
- Total estimated GDV of TAFI Group's property developments projects on-hand is now around RM1.01 billion.

**Construction Segment**

- Completed construction contract from Alpha Asset Sdn Bhd in Q4 2022 at final contract sum of RM9.16 million.
- RM30 million construction contract for Permas City project from Buana Tunggal Sdn Bhd together with the estimated RM6 million share of the net gross development value proceeds of certain units of properties which commenced in Q1 2022 is expected to be completed in Q2 2023.
- Other construction contracts in hand totalling RM354.6 million to be completed over next 3 financial years from TT5 Theme Assets Sdn Bhd (RM11 million), Metbuild Sdn Bhd (RM205 million), Lambaian Delta Sdn Bhd (RM23.6 million) and Magna Park Sdn Bhd (RM115 million).

**KUALA LUMPUR, 23 FEBRUARY 2023** - TAFI Industries Berhad (“TAFI” or “the Company”) posted a resilient fourth quarter (Q4) 2022 financial performance with profit after tax of RM0.260 million bringing the total profit after tax for the twelve months until 31 December 2022 to RM10.050 million.

Revenue increased by 15.61% to RM21.557 million in the quarter ended 31 December 2022 as compared to the preceding year corresponding quarter contributed by increase in revenue from construction contracts.

The Company booked a net profit of RM10.050 million for the twelve months until 31 December 2022 compared to RM5.493 million for last year, on the back of a 67.22% increase in revenue at RM72.804 million resulting in an increase in basic earnings per share to 2.66 sen for the twelve months until 31 December 2022 compared to 2.10 sen a year ago.

TAFI Group Chief Executive Officer Dato’ Sri Bryan Wong (王世坚) said that the good and encouraging twelve months results until 31 December 2022 shows that the 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 reporting increasing profits in the future.

TAFI Group will continue to work towards increasing revenue and profit for its furniture business by continuing to tender for more local government and non-government contracts.

Since diversification into property development business, our Group had been focusing on our maiden property development at Habu, Pahang with estimated gross development value (GDV) of RM390 million, wherein the general and preliminaries works 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 construction contract for the construction and completion of 1 unit single storey factory and warehouse, together with 2 storey office building for Alpha Asset Sdn Bhd was completed in Q4 2022 at a final contract sum of RM9.16 million whilst the RM30 million construction contract for Permas City project from Buana Tunggal Sdn Bhd together with the estimated RM6 million share of the net gross development value proceeds of certain units of properties under the Permas City project is estimated to be completed in second quarter (Q2 ) 2023.

TAFI Group also have other construction contracts in hand totalling RM354.6 million to be completed over next 3 financial years from TT5 Theme Asset Sdn Bhd (RM11 million), Metbuild Sdn Bhd (RM205 million), Lambaian Delta Sdn Bhd (RM23.6 million) and Magna Park Sdn Bhd (RM115 million).

Dato’ Sri Bryan said, “TAFI Group is 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 its wholly owned units, namely TAFI Home & Office Sdn Bhd and T.A. Furniture & Projects Sdn Bhd’s G7 licence issued by the Construction Industry Development Board (“CIDB”) which allows it to tender for construction projects of unlimited value”.

## **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 2008.

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/>

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