



NEW HOONG FATT HOLDINGS BERHAD (425709-K)
Lot 5043, Jalan Teratai, Meru, 41050 Klang, Selangor Darul Ehsan, Malaysia.
Tel: 603-3392 6818 E-mail: enquiries@newhoongfatt.com.my
Fax: 603-3392 6808 Website: www.newhoongfatt.com.my

**NEWS RELEASE
FOR IMMEDIATE RELEASE**

Contact Person: Chong Choon Yeng
Email Address: chongcy@newhoongfatt.com.my
The full announcement is available at www.bursamalaysia.com

**NEW HOONG FATT ACHIEVES HIGHER REVENUE
PROPOSES 8 SEN FINAL DIVIDEND**

Klang, 27 February 2018 – New Hoong Fatt Holdings Berhad [**NHFATT: 7060**] (“New Hoong Fatt” or “the Group”) today announced its unaudited results for the financial year ended 31 December 2017:

	Quarter ended 31 December 2017	Quarter ended 31 December 2016	Year to date ended 31 December 2017	Year to date ended 31 December 2016
Total Revenue (RM'000)	63,466	62,813	250,606	231,894
Profit Before Tax (RM'000)	8,967	13,103	24,413	36,810
Net Profit (RM'000)	7,498	9,491	20,328	29,990
Earnings per Share (sen)	9.98	12.63	27.05	39.90

The Group recorded RM0.7 million or 1.1% increase in revenue from RM62.8 million in the corresponding quarter of preceding year (“4Q 2016”) to RM63.5 million in the current quarter under review (“4Q 2017”). The increase in revenue was mainly attributed to higher demand in both local and overseas markets.

However, Profit Before Tax (“PBT”) decreased by RM4.1 million or 31.3% from RM13.1 million in 4Q 2016 to RM9.0 million in 4Q 2017, despite the fair value gain on the revaluation of investment properties amounted to RM4.5 million which was recognised in the current quarter. The decrease in PBT was mainly due to unfavourable impact from foreign exchange rates which amounted to RM5.9 million. In addition, higher manufacturing and raw material costs had also impacted the PBT in the current quarter under review. The Group managed to cushion part of the adverse impact from the significantly higher costs through higher sales volume and price increases. Net Profit decreased by RM2.0 million or 21% from RM9.5 million in 4Q 2016 to RM7.5 million in 4Q 2017.

The Group recorded RM18.7 million or 8.1% increase in revenue from RM231.9 million in the corresponding period of preceding year (“YTD 4Q 2016”) to RM250.6 million in the current year-to-date period (“YTD 4Q 2017”). The increase in revenue was mainly attributed to higher demand in both local and overseas markets.

However, PBT decreased by RM12.4 million or 33.7% from RM36.8 million in YTD 4Q 2016 to RM24.4 million in YTD 4Q 2017. There was a fair value gain on the revaluation of investment properties amounted to RM4.5 million which was recognised in YTD 4Q 2017 compared to RM0.9 million which was recognised in YTD 4Q 2016 (recognised in 3Q 2016). The decrease in PBT was mainly due to unfavourable impact from foreign exchange rates which amounted to RM13.5 million. In addition, as explained above, higher manufacturing costs, higher raw material costs and higher operating expenses had also impacted the PBT. The Group managed to cushion part of the adverse impact from the significantly higher costs through higher sales volume and price increases in the current YTD period under review.

The global economy is expected to grow stronger in 2018. The Group is cautiously optimistic on the overall outlook of the automotive aftermarket industry and will drive further cost and operational efficiency programs to strengthen its cost competitiveness.

The Group will continue to focus on building a wider product range and intensify the market development activities in the Malaysian market and other ASEAN markets to drive the growth of the Group.

Dividend

The Board of Directors is pleased to propose a final single tier dividend of eight (8) sen per ordinary share in respect of the financial year ended 31 December 2017 amounting to RM6,012,528. The proposed final dividend is subject to the approval of the shareholders at the upcoming Annual General Meeting of the Company. The dividend payment date and entitlement date will be announced in due course.

-End of Statement-