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

NHF DELIVERS STRONGER PERFORMANCE IN 2Q 2018

Klang, 30 July 2018 – New Hoong Fatt Holdings Berhad [**NHFATT: 7060**] ("New Hoong Fatt" or "the Group") today announced its unaudited results for the financial period ended 30 June 2018.

	Quarter ended 30 June 2018	Quarter ended 30 June 2017	**Year to date ended 30 June 2018**	Year to date ended 30 June 2017
Total Revenue (RM'000)	**65,494**	61,661	**125,593**	124,134
Profit Before Tax (RM'000)	**4,035**	2,932	**6,792**	11,542
Net Profit (RM'000)	**2,875**	2,532	**4,701**	9,903
Earnings per Share (sen)	**3.48**	3.06*	**5.69**	11.98*

**Comparative figures for the weighted average number of ordinary shares used in the calculation of basic earnings per share have been restated to reflect the increased number of shares arising from the Bonus Issue during the current interim financial period ended 30 June 2018.*

The Group recorded RM3.8 million or 6.2% increase in revenue from RM61.7 million in the corresponding quarter of preceding year ("2Q 2017") to RM65.5 million in the current quarter under review ("2Q 2018"). The increase in revenue was mainly attributed to higher demand and favourable sales mix in both local and overseas markets.

Profit Before Tax ("PBT") increased by RM1.1 million or 37.9% from RM2.9 million in 2Q 2017 to RM4.0 million in 2Q 2018. The increase in PBT was mainly due to lower foreign exchange ("forex") losses for the quarter as compared to the corresponding quarter for preceding year under review but partially offset by higher raw material and other manufacturing costs in the current quarter.

The Group recorded RM1.5 million or 1.2% increase in revenue from RM124.1 million in YTD 2Q 2017 to RM125.6 million in YTD 2Q 2018. The increase in revenue was attributed to higher demand in local market but partially mitigated by unfavourable forex impact from overseas market.

PBT however, had decreased by RM4.7 million or 40.9% from RM11.5 million in YTD 2Q 2017 to RM6.8 million in YTD 2Q 2018. This was mainly due to unfavourable forex impact as well as higher raw material and other manufacturing costs in the current YTD period under review.

The global economy is expected to remain strong in 2018, however, growth will be uneven as a result of rising trade tensions and oil prices. On the local front, the growth for the automotive industry in the near term is expected to remain relatively sluggish. In such a challenging environment, the Group will continue to focus on driving business growth through expanding its product range as well as further strengthening its cost competitiveness via various cost efficiency programs and driving higher productivity.