



PRESS STATEMENT
(FOR IMMEDIATE RELEASE)

**HITTING RECORD HIGH REVENUE FOR THE FOURTH CONSECUTIVE
YEAR
PROPOSES FINAL DIVIDEND OF 7 SEN**

Klang, 25 February 2019 – New Hoong Fatt Holdings Berhad [**NHFATT: 7060**] (“NHF” or “the Group”) (“新鸿发集团”) today announced its unaudited results for the financial year ended 31 December 2018:

	Quarter ended 31.12.2018	Quarter ended 31.12.2017	Year to date ended 31.12.2018	Year to date ended 31.12.2017
	RM'000	RM'000	RM'000	RM'000
Total Revenue	63,236	63,466	257,018	250,606
Profit Before Tax	6,312	8,967	19,321	24,413
Net Profit	4,827	7,498	14,008	20,328
Earnings per Share (sen)	5.84	9.07*	16.94	24.59*

**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 of one (1) bonus share for every ten (10) existing shares held by the entitled shareholders, which was completed on 28 June 2018.*

The Group’s revenue decreased slightly from RM63.5 million in the corresponding quarter of preceding year (“4Q 2017”) to RM63.2 million in the current quarter under review (“4Q 2018”). The decrease in revenue was mainly due to lower revenue from overseas market but partly mitigated by higher revenue from local market.

Profit Before Tax (“PBT”) decreased by RM2.7 million or 30.0% from RM9.0 million in 4Q 2017 to RM6.3 million in 4Q 2018. The decrease in PBT was mainly due to higher raw material prices and manufacturing costs. In addition, fair value gain on revaluation of investment properties recognised in 4Q 2018 amounting to RM1.0 million was RM3.5 million lower as compared to RM4.5 million recognised in 4Q 2017. However, the decrease was partially offset by favourable foreign exchange (“forex”) impact. Consequently, Net Profit decreased by RM2.7 million or 36% from RM7.5 million in 4Q 2017 to RM4.8 million in 4Q 2018.

As for year-to-date (“YTD”), the Group recorded RM6.4 million or 2.6% increase in revenue from RM250.6 million in YTD 4Q 2017 to RM257.0 million in YTD 4Q 2018. The increase in revenue was attributed to higher demand in local market but partially offset by unfavourable forex impact from overseas market.

PBT however, had decreased by RM5.1 million or 20.9% from RM24.4 million in YTD 4Q 2017 to RM19.3 million in YTD 4Q 2018. The decrease in PBT was mainly due to lower fair value gain on revaluation of investment properties of RM3.5 million, unfavourable forex impact as well as higher manufacturing costs in the current YTD period under review.

On balance sheet strength, net gearing remains healthy at 0.1x with net assets per share of RM5.52 as at 31 December 2018.

NHF's Managing Director, Mr. Chin Jit Sin (陈日新) said in a statement, "We are delighted to have posted another record-breaking annual revenue in FY18. This is the fourth consecutive year we hit record high top-line performance. The main catalyst behind the landmark achievement was stronger demand from our local market. However, the tough operating environment where higher manufacturing costs combined with unfavorable foreign exchange impact had unfortunately dented our profitability. Going forward, we will continue to widen our product range to grow turnover, while on profitability, the focus will be on continuous enhancement of NHF's manufacturing efficiency to optimise cost in order to improve our financial performance in FY19 and beyond."

"At NHF, we remain cautiously positive in this challenging environment and on our prospects ahead. The Group is one of the largest replacement equipment manufacturers (REMs) in Malaysia and we see growth as long as the number of vehicles on the road continues to increase. Meanwhile, we take the challenging operating environment in our stride as part and parcel of business cycle. Having been in the business for more than 40 years, the management team has in-depth experience, technical know-how and capability to manoeuvre through the current situation." Mr. Chin further added.

Dividend

The Board of Directors is pleased to propose a final single tier dividend of seven (7) sen per ordinary share in respect of the financial year ended 31 December 2018 amounting to RM5,787,058.20. 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. The Group has been consistently rewarding its shareholders with dividends since its listing in 1998.

About New Hoong Fatt Holdings Berhad [NHFATT:7060]

New Hoong Fatt Holdings Berhad is a public listed company listed on the Main Market of Bursa Malaysia Securities Berhad. The Group first established its business in 1977 as a trading company providing automotive parts solutions to the local replacement market. It has grown to become a major distributor of genuine and alternative automotive body replacement parts, with an extensive distribution channel of more than 1,000 wholesalers and retailers throughout Malaysia. Since then, the NHF Group has also expanded to manufacturing of metal and plastic automotive replacement body parts such as doors, hoods, fenders, bumpers, grilles and lamps. Headquartered in Klang, Selangor, it is a market leader that now exports to more than 50 countries around the world. For further information on NHF Group, kindly visit www.newhoongfatt.com.my.

The full announcement is available at www.bursamalaysia.com.

Released on behalf of New Hoong Fatt Holdings Berhad by Capital Front Investor Relations.

For media enquiries, kindly contact:

Name: Khoo Huan-Kind (Kai)

Email: kai@capitalfront.biz

Tel: 012-335 7148