



**PRESS STATEMENT**  
(FOR IMMEDIATE RELEASE)

**NHF RECORDS REVENUE GROWTH ON THE BACK OF HIGHER EXPORT SALES**

**Klang, 29 May 2019** – New Hoong Fatt Holdings Berhad [**NHFATT: 7060**] (“NHF” or “the Group”) (“新鸿发集团”) today announced its unaudited results for the first financial quarter ended 31 March 2019:

	<b>Year to date ended 31.03.2019</b>	Year to date ended 31.03.2018
	<b>RM million</b>	RM million
<b>Total Revenue</b>	<b>62.1</b>	60.1
<b>Profit Before Tax</b>	<b>2.5</b>	2.8
<b>Net Profit</b>	<b>2.0</b>	1.8
<b>Earnings per Share (sen)</b>	<b>2.43</b>	2.21*

*\*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 recorded RM2.0 million or 3.3% increase in revenue from RM60.1 million in the corresponding quarter of preceding year (“1Q 2018”) to RM62.1 million in the current quarter under review (“1Q 2019”). The increase in revenue was mainly attributed to higher demand in export markets.

Profit Before Tax (“PBT”) however decreased by RM0.3 million or 10.7% from RM2.8 million in 1Q 2018 to RM2.5 million in 1Q 2019. The decrease in PBT was mainly due to higher manufacturing costs.

The ongoing trade war between US and China continue to weigh in on the economies of ASEAN region and other markets around the world where the Group exports to. In order to sustain results, 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 on available resources.

On balance sheet strength, net gearing remains healthy at 0.1x with net assets per share of RM5.54 as at 31 March 2019.

**NHF's Managing Director, Mr. Chin Jit Sin (陈日新)** said in a statement, "Despite the challenging economic and operating environment, we are pleased to have delivered another set of satisfactory results. For the current quarter under review, our export sales which were partially impacted by favourable foreign exchange were the main driver of our top-line growth. Our overseas sales improved 7.1% year-on-year to RM31.8 million, which contributed 51.3% to our 1Q 2019 turnover with the remainder coming from local sales. This is in-line with our plan to increase our overseas contribution to the Group especially from ASEAN. NHF sees a huge opportunity in ASEAN as there are some 220 million registered motor vehicles as of 2017, and all these vehicles would require automotive replacement parts. Therefore, we are working hard to capitalize on these opportunities. NHF will leverage on its strengths especially our integrated supply chain to fuel the growth of the Group."

"The US-China trade war affected the sales of many global automotive parts manufacturers that are exporting into the US from their production base in China. As a result, we are seeing competition intensifying as these players look to fill up their excess capacity by selling into new markets, some of which we are currently exporting to. In mitigation, we are expanding our product range and optimizing our resources to boost our efficiency in order to enhance our competitive advantages. Overall, we remain cautiously optimistic on our prospects, underpinned by the potential in the automotive parts industry." Mr. Chin further added.

**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](http://www.newhoongfatt.com.my).

The full announcement is available at [www.bursamalaysia.com](http://www.bursamalaysia.com).

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

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