



PRESS STATEMENT
(FOR IMMEDIATE RELEASE)

SOLID TOP-LINE GROWTH
PROPOSES FINAL DIVIDEND OF 7 SEN

Klang, 27 February 2020 – New Hoong Fatt Holdings Berhad [**NHFATT: 7060**] (“NHF” or “the Group”) (“新鸿发集团”) today announced its unaudited results for the fourth financial quarter ended 31 December 2019:

	Quarter ended 31.12.2019	Quarter ended 31.12.2018	Year to date ended 31.12.2019	Year to date ended 31.12.2018
	RM million	RM million	RM million	RM million
Total Revenue	69.7	63.2	276.1	257.0
Profit Before Tax	4.3	6.3	18.8	19.3
Net Profit	3.6	4.8	14.9	14.0
Earnings per Share (sen)	4.35	5.84	17.99	16.94

The Group recorded RM6.5 million or 10.3% increase in revenue from RM63.2 million in the corresponding quarter of preceding year (“4Q 2018”) to RM69.7 million in the current quarter under review (“4Q 2019”). The increase in revenue was mainly due to higher demand in both local and overseas markets.

Profit Before Tax (“PBT”) decreased by RM2.0 million or 31.7% from RM6.3 million in 4Q 2018 to RM4.3 million in 4Q 2019. The decrease was mainly due to unfavourable forex impact in 4Q 2019 and fair value gain on revaluation of investment properties of RM1.0 million recognised in 4Q 2018.

As for year to date (“YTD”), the Group recorded RM19.1 million or 7.4% increase in revenue from RM257.0 million in YTD 4Q 2018 to RM276.1 million in YTD 4Q 2019. The increase in revenue was due to higher demand in both local and overseas markets as well as favourable impact from foreign exchange.

PBT however, had decreased by RM0.5 million or 2.6% from RM19.3 million in YTD 4Q 2018 to RM18.8 million in YTD 4Q 2019. The decrease in PBT was mainly due to higher manufacturing costs and unfavourable forex impact in the YTD 4Q 2019, as well as fair value gain on revaluation of investment properties recorded in YTD 4Q 2018.

On the other hand, Net Profit for YTD 4Q 2019 increased by RM0.9 million or 6.4% from RM14.0 million in YTD 4Q 2018 to RM14.9 million. Earnings per share for YTD 4Q 2019 increased to 17.99 sen per share compared to 16.94 sen per share in the corresponding period in 2018.

2020 continues to present a challenging environment to the Group as global economic growth is expected to be sluggish and the impact of recent Covid-19 outbreak has yet to be fully assessed. Regardless, the Group will focus on driving business growth through expanding its product range and profitability as well as further strengthening its cost competitiveness via improvements in quality and productivity.

NHF’s Managing Director, Mr. Chin Jit Sin (陈日新) said in a statement, “2019 was a demanding year for us due to the tough business operating conditions. Nevertheless, we are happy to have delivered another set of commendable results and registered a solid top-line growth. NHF registered another record-breaking revenue of RM276.1 million in financial year ended 2019. Looking ahead, we are mindful of the challenges ahead as well as the uncertainties in the global economy. The Group shall stay agile and adaptable to changes in the supply and demand conditions while exercising prudence in managing its resources. Furthermore, we will continue to invest in our human capital development to ensure we are equipped with the talent and skills to navigate through any challenges ahead. All in all, we remain optimistic on the Group’s prospects for 2020.”

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 2019 amounting to RM5,787,058. 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.

On balance sheet strength, net gearing remains healthy at 0.03 times with net assets per share of RM5.61 as at 31 December 2019.

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.

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