



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

PRESS STATEMENT
(FOR IMMEDIATE RELEASE)

STEERING THROUGH THE UNCERTAINTIES AHEAD

Klang, 28 May 2020 – 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 2020:

	Year to date ended 31.03.2020	Year to date ended 31.03.2019
	RM million	RM million
Total Revenue	57.4	62.1
(Loss)/Profit Before Tax	(3.1)	2.5
Net (Loss)/Profit	(3.5)	2.0
(Loss)/Earnings per Share (sen)	(4.26)	2.43

Compared to the corresponding quarter of preceding year (“1Q 2019”), revenue decreased by RM4.7 million or 7.6% from RM62.1 million in 1Q 2019 to RM57.4 million in the current quarter under review (“1Q 2020”). The decrease in revenue was mainly due to the enforced lockdown from 18 March 2020 onwards as a result of the Government of Malaysia imposing a Movement Control Order (‘MCO’) due to the 2019 Novel Coronavirus (“COVID-19”).

Profit Before Tax (“PBT”) decreased by RM5.6 million or 224.0% from PBT of RM2.5 million in 1Q 2019 to Loss Before Tax of RM3.1 million in 1Q 2020. The decrease was mainly due to the aforementioned reduction in revenue and unrealised unfavourable forex impact in 1Q 2020 of RM4.3 million.

On March 11 2020, the World Health Organisation had declared the outbreak of COVID-19 as a pandemic. This had caused restricted movement control imposed by various countries around the world and had shocked the world economy structure which is now in a state of uncertainty. The International Monetary Fund in April 2020 had projected that the world economy would contract by 3.0% as a result of this.

The Government of Malaysia had implemented MCO on 18 March 2020 and had extended the Conditional MCO until 9 June 2020. The Government had implemented fiscal and monetary policies to help revive the economy by increasing aggregate demand such as public consumption and investment.

The Group had temporarily ceased operations since MCO. During the period of lockdown, the Group had monitored the health of its employees and set up the Standard Operating Procedures ('SOPs') to ensure that safety and health protocols are in place. The Group had resumed its full operations on 29 April 2020. Business, however, has been slow as people are encouraged to stay home and stay safe. The Group has yet to face the full effect of this pandemic. Nevertheless, the Group will focus on achieving the best outcome in these uncertain times.

On balance sheet strength, net gearing is at 0.04x with net assets per share of RM5.55 as at 31 March 2020.

NHF's Managing Director, Mr. Chin Jit Sin (陈日新) said in a statement, "The Group's production has been gradually picking up since we resumed our operations after receiving approval from the Authorities. However, we are still assessing the impact of the COVID-19 pandemic and the resultant MCO as the situation is still very fluid. At the same time, NHF is strictly adhering to the SOPs implemented by the Authorities as the safety and welfare of our employees as well as the surrounding community remain our top priority. Looking ahead, we are taking a more cautious approach given the uncertainties ahead. Nevertheless, we will continue to leverage on the Group's experience of more than 40 years and proven capabilities along with our robust balance sheet to navigate through these uncertain times."

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