



NEW HOONG FATT HOLDINGS BERHAD

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PRESS STATEMENT

(FOR IMMEDIATE RELEASE)

NHF MAINTAINS POSITIVE PERFORMANCE IN 1Q 2024

Klang, 27 May 2024 – New Hoong Fatt Holdings Berhad [**NHFATT: 7060**] (“NHF” or “the Group”) (“新鸿发集团”), a leading manufacturer and distributor of automotive parts, announced today its financial unaudited results for the first quarter ended 31 March 2024 (“1Q 2024”).

The following table shows the Group’s revenue, Profit Before Tax (“PBT”), Net Profit and earnings per share for 1Q 2024 compared with the corresponding quarter of the preceeding year (“1Q 2023”):

	Year to date ended 31.03.2024 RM’000	Year to date ended 31.03.2023 RM’000
Total Revenue	74,764	72,705
Profit Before Tax	16,120	16,505
Net Profit	15,123	15,611
Earnings per Share (sen)	18.29	18.88

Compared to 1Q 2023, the Group’s revenue for 1Q 2024 of RM74.8 million was slightly higher by RM2.1 million from RM72.7 million in 1Q 2023. However, PBT was slightly lower by RM0.4 million from RM16.5 million in 1Q 2023 to RM16.1 million in 1Q 2024, mainly due to higher operational costs and lower foreign exchange gain.

As a result, Net Profit decreased by RM0.5 million, from RM15.6 million in 1Q 2023 to RM15.1 million in 1Q 2024. Earnings per share for the quarter stood at 18.29 sen per share, slightly down from 18.88 sen per share in the corresponding period in 2023.

NHF retains its positive position for the first quarter of 2024 against the backdrop of a complex landscape marked by geopolitical risks, inflationary pressures, and financial market volatility. Mr. Chin Jit Sin, the Managing Director of NHF, commented that “In achieving this result, we had to deal with competition in a lukewarm local market, while most importing markets across all geographical regions, including ASEAN, have remained cautious as market demand has not improved. However, we remained agile and adaptable to changes in supply and demand conditions while exercising prudence in managing our costs.”



Going forward, the Group anticipates that business operating conditions to remain uncertain. While the global and local economy are expanding, they face several headwinds that could influence their trajectory. These circumstances are likely to have spillover effects on trade, market confidence, and financial markets, ultimately impacting customer demand.

The global economy continues to expand, with positive labour market conditions and moderating inflation helping to offset the effects of tight monetary policy and reduced fiscal support. However, the growth outlook remains subject to downside risks, mainly from the further escalation of geopolitical tensions, higher-than-anticipated inflation outturns, and volatility in global financial markets. On the domestic front, the latest indicators point towards higher economic activity in the first quarter of 2024, driven by resilient domestic expenditure and a positive turnaround in exports. The growth outlook is, however, subject to downside risks from weaker-than-expected external demand and larger declines in commodity production.

“Despite the volatile environment, we are optimistic about the sustained market demand for our products, driven by the increasing number of cars on the road. We look forward to further strengthening our cost control, improving operational efficiencies, and applying competitive product pricing strategies to achieve a satisfactory performance in 2024.” Mr. Chin concluded.

Proposed Share Split

In March this year, NHF has proposed to undertake a share split involving the subdivision of every one (1) existing ordinary share into two (2) subdivided ordinary shares (“Proposed Share Split”) to improve its trading liquidity. This proposal is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company, scheduled for 6 June 2024. The Proposed Share Split is anticipated to be completed by the end of June 2024. Upon completion, the issued share capital of the Company of 82.67 million will be subdivided and enlarged into 165.34 million shares. The share split aims to enhance the liquidity and accessibility of NHF’s shares, making it more attractive to a broader range of investors.

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 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 New Hoong Fatt Group, kindly visit www.newhoongfatt.com.my.

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

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