

## NHF pushing for higher contribution from exports

**PETALING JAYA:** Auto replacement parts maker New Hoong Fatt Holdings Bhd (NHF) expects to grow its export business, with the possibility of it surpassing the domestic contribution to group revenue.

Managing director Chin Jit Sin told reporters the company was positioning itself as a regional player to ride on the population and economic growth trajectory of Asean and wider Asia.

Exports currently contribute about 40% to group turnover, with the balance coming from the local market.

"Looking at the statistics, prospects in the export market and contribution may grow more than the local portion, as we have been here for over 20 years, growing with the market," he said after the company's AGM.

NHF's export business, mainly in the Asean region, grew 28.6% last year compared with 2011.

One of its biggest markets in Asean is Thailand, followed by Indonesia, where it has bought a 1.09ha plot for RM23mil in Jakarta and has set up a warehouse there.

"We are still using the factory there as a warehouse now, and we will look into the possibility of setting up a operational factory as we expand into the region. We have also set up a representative office in Shanghai," Chin said.

Moving forward, he said NHF was eyeing opportunities in the Philippines, Vietnam, the Middle East, Africa and South America.

He said the company was still on track with its capacity expansion programme and that it had invested more than RM54mil in the past two years to upgrade machinery.

"We are still investing to build up the capacity for growth in the export business, and this may not be less than RM50mil for this year alone," he said.

Chin said the plastic machinery started producing automotive body parts in the first quarter, and the company was on track to expand the press and paint lines, which would be done in stages this financial year.

For the first quarter ended March 31, the company's net profit surged 64% to RM6.75mil compared with RM4.09mil in the previous corresponding quarter.