

## Homegrown NHF Group to take on Indonesia



The car sales market in Indonesia is growing, and Malaysia's New Hoong Fatt group does not want to miss out.

compared to Malaysia's 600,000 units per year.

"With Indonesia's disposable income level on the rise, car sales there is expected to increase as well. The potential to grow (in Indonesia) is bigger," Chong said during his interview with Astro AWANI's The Marketplace on Thursday.

He said the NHF Group, which is principally involved in the manufacturing of metal and plastic auto body parts, plans to build a plant in Indonesia to cater to the country's after market.

"We have a range between RM50 to RM60 million positive operating cash flow generation yearly. If we strip off the CapEx (capital expenditure) requirement of what we need to invest in every year, which is about RM20 to RM30 million, it still leaves us with ample cash flow for us to grow the business there.

"The plant we want to build there won't cost a lot of money, we'll start with a small-scale. And we're looking at self-generation to fund our expansion there," said Chong.

He expressed hope that the company's expansion plan in Indonesia will get the support of the locals there.

NHF Group has been providing automotive parts solutions since 1977, starting off as a spare parts trading company before venturing into manufacturing automotive replacement body parts in the early 1990s.

The company then grew and got listed on the second board on Bursa Malaysia in 1998 and was transferred to the main board in 2001.

The company is celebrating its 40th anniversary this year.

**KUALA LUMPUR:** After 40 years of solidly serving Malaysians with their high-quality automotive parts and services, New Hoong Fatt Group (NHF Group) is ready to take on the Indonesian market next.

Its Chief Financial Officer, Chong Choon Yeng said the Indonesian automotive market is a gold mine waiting to be tapped, despite the company already exporting its products to more than 60 countries worldwide.

"With close to 300 million people living there, the population in Indonesia is almost 10 times the Malaysian population. But new vehicle registration in Indonesia is only around one million units per year,