

## NEW HOONG FATT PROPOSES ONE-INTO-TWO SHARE SPLIT TO IMPROVE TRADING LIQUIDITY



Auto parts manufacturer New Hoong Fatt Holdings Bhd said the proposed share split will improve trading liquidity without affecting the size of the market capitalisation. (Photo by New Hoong Fatt)

KUALA LUMPUR (Mar 18): Auto parts manufacturer New Hoong Fatt Holdings Bhd (NHF) has proposed to undertake a share split involving the subdivision of every one share into two shares in a move to improve trading liquidity.

As at March 15, the issued share capital of NHF was RM82.67 million which will remain unchanged upon completion of the share split, the group said in a filing with Bursa Malaysia on Monday.

However, the total number of NHF shares of 82.67 million will be subdivided and enlarged into 165.34 million shares.

As such, the proposed share split will also result in an adjustment to the share price. For illustration purposes, based on the last transacted market price of NHF shares on March 15 of RM3.70, the theoretical adjusted reference share price per subdivided share upon the completion of the share split will be RM1.85.

NHF said the share split will enable its shareholders to have a larger number of shares in NHF, while maintaining their percentage of equity interest in the group without incurring any cost.

Besides that, the share split is expected to result in improved trading liquidity of NHF shares following a lower trading price, without affecting the size of the market capitalisation, the group said.

On top of that, the exercise will also potentially encourage greater participation by a wider group of public investors, added NHF.

The share split is expected to be completed in the second quarter of 2024.

Shares of NHF closed one sen or 0.27% higher at RM3.71, bringing the group a market capitalisation of RM306.71 million.

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