



NEW HOONG FATT HOLDINGS BERHAD

(Registration No. 199701010213 (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

UNAUDITED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED 31 DECEMBER 2024

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 31.12.2024	Quarter ended 31.12.2023	Year to date ended 31.12.2024	Year to date ended 31.12.2023
		RM'000	RM'000	RM'000	RM'000
Revenue		63,684	67,847	282,257	281,245
Cost of sales		(45,126)	(50,766)	(199,532)	(203,573)
Gross profit		18,558	17,081	82,725	77,672
Other operating income		8,073	5,069	28,775	28,369
Net gain/(loss) on impairment of financial instruments		14	194	(332)	906
Operating expenses		(13,702)	(13,908)	(63,984)	(54,287)
Finance costs		(2)	(1)	(7)	(22)
Profit before tax		12,941	8,435	47,177	52,638
Tax expense	19	(1,652)	(937)	(3,182)	(4,931)
Net profit for the period		11,289	7,498	43,995	47,707
Other comprehensive income/(loss):					
Foreign currency translations, net of tax		3	(197)	(223)	379
Revaluation gain on land and buildings, net of tax		-	-	-	2,350
Remeasurement of employment benefits obligation		-	(15)	-	(12)
Total comprehensive income for the period		11,292	7,286	43,772	50,424
Profit attributable to owners of the parent		11,289	7,498	43,995	47,707
Total comprehensive income attributable to owners of the parent		11,292	7,286	43,772	50,424
Earnings per share attributable to owners of the parent	25				
Basic (sen)		6.83	4.53 [#]	26.61	28.85 [#]
Diluted (sen)		N.A.	N.A.	N.A.	N.A.

[#] For comparative purposes, the earnings per share for the fourth quarter and year-to-date ended 31 December 2023 have been adjusted for the effects of a share split involving the subdivision of every one (1) existing ordinary share into two (2) subdivided ordinary shares, which was completed on 28 June 2024 ("Share Split").

(The Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2023)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As at 31.12.2024 RM'000 (Unaudited)	As at 31.12.2023 RM'000 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment		328,430	331,807
Right-of-use assets		58,323	62,022
Investment properties		24,100	24,100
Other investments		130	130
Intangible asset		42	282
Deferred tax assets		343	356
		411,368	418,697
Current Assets			
Inventories		70,136	66,626
Trade receivables		41,438	43,640
Other receivables, deposits and prepayments		3,748	2,735
Current tax assets		2,200	1,175
Cash and bank balances		125,972	97,952
		243,494	212,128
Total Assets		654,862	630,825
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		82,672	82,672
Reserves			
<u>Non-Distributable:</u>			
Revaluation reserve		142,216	142,216
Exchange translation reserve		(568)	(345)
Fair value reserve		47	47
<u>Distributable:</u>			
Retained earnings		350,376	324,569
		492,071	466,487
Total Equity		574,743	549,159
Non-Current Liabilities			
Employment benefits obligation		265	259
Lease liabilities		146	-
Deferred tax liabilities		53,934	57,446
		54,345	57,705
Current Liabilities			
Trade payables		8,513	10,831
Other payables and accruals		15,911	12,137
Lease liabilities		215	23
Current tax liabilities		1,033	904
Contract liabilities		102	66
		25,774	23,961
Total Liabilities		80,119	81,666
Total Equity and Liabilities		654,862	630,825
Net assets per share attributable to owners of the parent (RM)	26	3.48	3.32 [#]

[#] For comparative purposes, the net assets per share for the financial year ended 31 December 2023 has been adjusted for the effects of the Share Split in 2024.

(The Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2023)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year to date ended 31.12.2024 RM'000	Year to date ended 31.12.2023 RM'000
Cash Flows From Operating Activities		
Profit before tax	47,177	52,638
Adjustments for:-		
Depreciation of property, plant and equipment	29,973	30,189
Amortisation of intangible assets	275	387
Bad debts written off	111	235
Depreciation of right-of-use assets	1,713	1,943
Interest income	(3,140)	(1,900)
Interest expense	7	22
Inventories written down/(back)	182	(127)
Net gain on disposal of property, plant and equipment	(253)	(89)
Property, plant and equipment written off	1	42
Provision for employment benefits obligation	54	52
Provision/(Reversal) of impairment losses on trade receivables	332	(906)
Unrealised loss/(gain) on foreign exchange differences	2,550	(2,317)
Loss on lease modification	60	-
Operating profit before changes in working capital	79,042	80,169
Net change in current assets	(693)	(655)
Net change in current liabilities	2,893	(580)
Tax paid	(7,586)	(5,618)
Net cash generated from operating activities	73,656	73,316
Cash Flows From Investing Activities		
Interest received	3,140	1,900
Proceeds from disposal of property, plant and equipment	268	95
Purchase of property, plant and equipment	(30,531)	(26,457)
Purchase of intangible asset	(34)	(25)
Net cash used in investing activities	(27,157)	(24,487)
Cash Flows From Financing Activities		
Interest paid	-	(16)
Net repayment of bank borrowings	-	(2,552)
Repayment of lease liabilities	(240)	(453)
Dividend paid	(18,188)	(10,747)
Net cash used in financing activities	(18,428)	(13,768)

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CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

	Year to date ended 31.12.2024 RM'000	Year to date ended 31.12.2023 RM'000
Net increase in cash and cash equivalents	28,071	35,061
Effects of exchange rate fluctuations on cash and cash equivalents	(51)	668
Cash and cash equivalents at beginning of the financial period	97,952	62,223
Cash and cash equivalents at end of the financial period	125,972	97,952
 Cash and cash equivalents comprise of:		
Cash and bank balances	65,279	48,135
Short term placements	60,693	49,817
	125,972	97,952

(The Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2023)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent					
	Non-distributable			Distributable		
	Share capital RM'000	Revaluation reserve RM'000	Fair value reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total Equity RM'000
As at 1 January 2024	82,672	142,216	47	(345)	324,569	549,159
Profit for the financial period	-	-	-	-	43,995	43,995
Foreign currency translations, net of tax	-	-	-	(223)	-	(223)
Total comprehensive income	-	-	-	(223)	43,995	43,772
Dividend paid	-	-	-	-	(18,188)	(18,188)
As at 31 December 2024	82,672	142,216	47	(568)	350,376	574,743
As at 1 January 2023	82,672	139,866	47	(724)	287,621	509,482
Profit for the financial period	-	-	-	-	47,707	47,707
Remeasurement of employment benefits obligations, net of tax	-	-	-	-	(12)	(12)
Revaluation gain of land and buildings, net of tax	-	2,350	-	-	-	2,350
Foreign currency translations, net of tax	-	-	-	379	-	379
Total comprehensive income	-	2,350	-	379	47,695	50,424
Dividend paid	-	-	-	-	(10,747)	(10,747)
As at 31 December 2023	82,672	142,216	47	(345)	324,569	549,159

(The Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2023)

PART A – EXPLANATORY NOTES ON COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARDS (MFRS) 134, INTERIM FINANCIAL REPORTING

1 Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”), MFRS 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2023.

2 Adoption of Malaysian Financial Reporting Standards

The significant accounting policies and methods of computation applied in the interim financial report are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2023, except for the effects of newly issued Amendments to MFRS applied during the current financial period:-

Title	Effective date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-Current Liability with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

Adoption of the above Amendments did not have any material effect on the financial performance or position of the Group.

The Group has not adopted the following new MFRSs and Amendments to MFRSs that have been issued but not yet effective:

Title	Effective date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred

The Group anticipates that the abovementioned new MFRSs and amendments to MFRS will be adopted in the annual financial statements of the Group and of the Company when they become effective.

3 Qualified audit report

The financial statements for the financial year ended 31 December 2023 were not qualified.

4 Seasonal or cyclical factors

The Group's operation is not significantly affected by seasonal or cyclical factors.

5 Unusual items

Other than those stated in the notes, there were no other items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

6 Changes in estimates

There is no significant change in estimates of amounts reported in prior interim periods of the current financial year.

7 Debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current quarter under review.

8 Dividends paid

	Quarter ended 31.12.2024 RM'000	Year to date ended 31.12.2024 RM'000
Second interim single tier dividend of 4 sen per ordinary share declared for financial year ended 2023, paid on 5 April 2024.	-	3,307
A final single tier dividend of 8 sen per ordinary share declared for financial year ended 2023, paid on 15 July 2024.	-	6,614
First interim single tier dividend of 2 sen per ordinary share declared for financial year ended 2024, paid on 3 October 2024. ⁽¹⁾	3,307	3,307
Second interim single tier dividend of 3 sen per ordinary share declared for financial year ended 2024, paid on 23 December 2024. ⁽¹⁾	4,960	4,960
Total single tier dividends paid	8,267	18,188

⁽¹⁾ The dividends paid reflect the total number of shares for FYE2024, which increased from 82,672,260 to 165,344,520 following the completion of the Share Split in 2024.

9 Segmental information

Operating segment reporting is not separately presented as the Group is principally engaged in the manufacturing and trading of automotive parts and accessories, which are substantially within a single operating segment.

For the purpose of resources allocation and performance assessment, the chief operating decision-maker reviews the profit from operations of the Group as disclosed in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The breakdown of the Group's revenue based on the geographical location of the customers is as follows:

By Geographical Segment	Quarter ended		Year to date ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Malaysia	34,234	34,818	147,767	147,208
- ASEAN	11,156	11,271	50,783	53,353
- Non-ASEAN	18,294	21,758	83,707	80,684
Total Segment Revenue	63,684	67,847	282,257	281,245

The Group's segment capital expenditures and non-current assets are as follows:

By Geographical Segment	Quarter ended		Year to date ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM'000	RM'000	RM'000	RM'000
<u>Segment Capital Expenditure</u>				
- Malaysia	13,834	13,518	30,464	26,527
- ASEAN	4	8	17	45
- Non-ASEAN	12	19	84	32
Total Segment Capital Expenditure	13,850	13,545	30,565	26,604

By Geographical Segment	As at 31.12.2024	As at 31.12.2023
	RM'000	RM'000
<u>Segment Non-Current Assets</u>		
- Malaysia	363,009	365,980
- ASEAN	47,805	52,621
- Non-ASEAN	554	96
Total Segment Non-Current Assets	411,368	418,697

10 Valuation of Property, Plant and Equipment and Investment Properties

The valuation of land and buildings has been brought forward, without any amendment to the previous annual financial statements.

11 Subsequent events

In the opinion of the Directors, there are no material subsequent events to be disclosed as at the date of this report.

12 Changes in the composition of the Group

There were no changes in the composition of the Group in the current quarter under review.

13 Changes in contingent liabilities

	As at 31.12.2024 RM'000	As at 31.12.2023 RM'000
Corporate guarantees given to financial institutions in respect of credit facilities granted to certain subsidiaries	<u>9,553</u>	<u>5,725</u>

14 Capital commitments

	As at 31.12.2024 RM'000
<u>Property, plant and equipment</u>	
Contracted but not provided for	<u>5,093</u>
Approved but not contracted for	<u>19,121</u>

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PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

15 Review of performance

Comparison of current quarter under review with corresponding quarter of preceding year

Revenue for the current quarter under review (“4Q 2024”) was lower by RM4.1 million from RM67.8 million in the corresponding quarter of preceding year (“4Q 2023”) to RM63.7 million in 4Q 2024. The lower revenue was primarily due to lower exports resulting from global sea freight disruptions.

However, Profit Before Tax (“PBT”) increased by RM4.5 million from RM8.4 million in 4Q 2023 to RM12.9 million in 4Q 2024, mainly due to favourable movement arising from foreign exchange (“forex”) and lower manufacturing costs.

Comparison of current YTD period with corresponding YTD period of preceding year

Despite the challenges in 2024, the Group was able to maintain the revenue of previous year and recorded RM1.0 million increase in revenue from RM281.2 million in YTD 4Q 2023 to RM282.2 million in YTD 4Q 2024.

However, PBT decreased by RM5.4 million from RM52.6 million in YTD 4Q 2023 to RM47.2 million in YTD 4Q 2024. The decrease was mainly due to unfavourable forex movements, which were mitigated by lower manufacturing costs.

16 Variation of results against preceding quarter

Compared to preceding quarter (“3Q 2024”), revenue decreased by RM8.9 million from RM72.6 million in 3Q 2024 to RM63.7 million in 4Q 2024. Sales declined across all sectors due to weaker demand and shortage of shipment container.

PBT in 4Q 2024 increased by RM7.9 million from RM5.0 million in 3Q 2024 to RM12.9 million in 4Q 2024 mainly due to favourable forex movement.

17 Prospects

The global economy is projected to grow at a moderate pace of 3.3% in 2025, reflecting a divergence in growth trajectories among major economies. Inflationary pressures are expected to ease globally, but policy uncertainties and geopolitical tensions remain significant risks. In addition, an intensification of protectionist policies, in the form of a new wave of tariffs, could exacerbate trade tensions, lower investment, reduce market efficiency, distort trade flows, and disrupt supply chains.

Domestically, Malaysia’s economy is poised for steady growth in 2025, underpinned by resilient domestic demand and export performance. However, external factors such as uncertainties in global trade and US tariff policies, geopolitical tensions, and commodity price volatility present risks to this outlook.

Despite anticipated external headwinds, the Group remains confident in its ability to sustain positive performance. Proactive efforts to strengthen cost control and improve operational efficiency are expected to support this momentum. Barring any unforeseen circumstances, the Group expects its financial performance for the financial year ending 2025 to be satisfactory.

18 Profit forecast

There was no revenue or profit forecast announced by the Group.

19 Tax expenses

	Quarter ended 31.12.2024 RM'000	Year to date ended 31.12.2024 RM'000
Current tax expense	1,190	6,691
Deferred tax	462	(3,509)
	<u>1,652</u>	<u>3,182</u>

The effective tax rate of the Group for the current quarter and financial year under review was lower than the statutory tax rate, mainly due to utilisation of Reinvestment Allowance incentives and reversal of Deferred Tax liabilities in the Group's plant and machinery.

20 Status of corporate proposal

There were no corporate proposals announced but not completed as at the date of this report.

21 Group borrowings and debt securities

There were no borrowings during the quarter under review.

22 Changes in fair value of financial instruments

The carrying amounts of the financial instruments of the Group as at reporting date approximate their fair values due to relatively short-term maturity of these financial instruments.

23 Material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings which might materially affect the position or business of the Group as at the date of this report.

24 Dividend

The Board of Directors is pleased to declare a third interim single tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 December 2024, amounting to RM6,613,780.80. The dividend will be paid on 8 April 2025 to shareholders registered in the Record of Depositors as at 5.00 p.m. on 17 March 2025.

The interim dividends will be accounted for as an appropriation of retained earnings in the year in which they are declared.

25 Earnings per share

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Quarter ended</u> <u>31.12.2024</u>	<u>Quarter ended</u> <u>31.12.2023</u>	<u>Year to date ended</u> <u>31.12.2024</u>	<u>Year to date ended</u> <u>31.12.2023</u>
Net profit attributable to owners of the parent (RM'000)	11,289	7,498	43,995	47,707
Weighted average number of ordinary shares applicable to basic earnings per share ('000)	165,344	82,672	165,344	82,672
Share split subsequent to year end ('000)	-	82,672	-	82,672
Adjusted weighted average number of ordinary shares applicable to basic earnings per share ('000)	165,344	165,344 [#]	165,344	165,344 [#]
Basic earnings per share (sen)				
- Before Share Split	6.83	9.07	26.61	57.71
- After Share Split	6.83	4.53 [#]	26.61	28.85 [#]

[#] For comparative purposes, the earnings per share for the fourth quarter and year-to-date ended 31 December 2023 have been adjusted for the effects of the Share Split in 2024.

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26 Net assets per share

	As at 31.12.2024	As at 31.12.2023
Total equity attributable to owners of the parent (RM'000)	<u>574,743</u>	<u>549,159</u>
Weighted average number of ordinary shares applicable to net assets per share ('000)	165,344	82,672
Share split subsequent to year end ('000)	-	82,672
Adjusted weighted average number of ordinary shares applicable to basic earnings per share ('000)	<u>165,344</u>	<u>165,344[#]</u>
Net assets per share (RM)		
- Before share split	3.48	6.64
- After share split	<u>3.48</u>	<u>3.32[#]</u>

[#] For comparative purposes, the net assets per share for the financial year ended 31 December 2023 has been adjusted for the effects of the Share Split in 2024.

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27 Profit before tax

	Quarter ended 31.12.2024 RM'000	Year to date ended 31.12.2024 RM'000
Profit before tax is arrived at after charging/(crediting):		
Amortisation of intangible asset	10	275
Bad debts written off	17	111
Depreciation of property, plant and equipment	7,375	29,973
Depreciation of right-of-use assets	417	1,713
Gain on foreign exchange:		
- Realised	(378)	(753)
- Unrealised	(2,896)	(4,498)
(Reversal)/Impairment losses on trade receivables	(14)	332
Interest on lease liabilities	2	7
Interest income	(864)	(3,140)
Gain on disposal of property, plant and equipment	(121)	(253)
Inventories written down	11	181
Loss on foreign exchange:		
- Realised	266	1,954
- Unrealised	184	7,048
(Gain)/loss on lease modification	(6)	60
Provision for employment benefits obligation	13	54
Property, plant and equipment written off	-	1
Rental income from investment properties	(225)	(889)

By Order of the Board

TEO MEE HUI
TAN BEE HWA
Secretaries

Kuala Lumpur
27 February 2025