



# NEW HOONG FATT HOLDINGS BERHAD

(Registration No. 199701010213 (425709-K))

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## UNAUDITED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2025

### CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 30.06.2025	Quarter ended 30.06.2024	Year to date ended 30.06.2025	Year to date ended 30.06.2024
	Note	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>		<b>65,148</b>	<b>71,172</b>	<b>129,081</b>	<b>145,936</b>
Cost of sales		(48,068)	(48,530)	(93,331)	(100,770)
Gross profit		17,080	22,642	35,750	45,166
Other operating income		5,275	6,223	9,962	13,920
Net gain/(loss) on impairment of financial instruments		15	(129)	16	(150)
Operating expenses		(15,834)	(15,580)	(30,386)	(29,659)
Finance costs		(3)	(2)	(3)	(3)
<b>Profit before tax</b>		<b>6,533</b>	<b>13,154</b>	<b>15,339</b>	<b>29,274</b>
Tax credit/(expense)	19	150	(1,038)	443	(2,035)
<b>Net profit for the period</b>		<b>6,683</b>	<b>12,116</b>	<b>15,782</b>	<b>27,239</b>
Other comprehensive income/(loss):					
Foreign currency translations, net of tax		67	(258)	(171)	(295)
<b>Total comprehensive income for the period</b>		<b>6,750</b>	<b>11,858</b>	<b>15,611</b>	<b>26,944</b>
Profit attributable to owners of the parent		6,683	12,116	15,782	27,239
<b>Total comprehensive income attributable to owners of the parent</b>		<b>6,750</b>	<b>11,858</b>	<b>15,611</b>	<b>26,944</b>
<b>Earnings per share attributable to owners of the parent</b>	25				
Basic (sen)		4.04	7.33	9.54	16.47
Diluted (sen)		N.A.	N.A.	N.A.	N.A.

*(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 2024)*

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Note	As at 30.06.2025 RM'000 (Unaudited)	As at 31.12.2024 RM'000 (Audited)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		320,553	328,430
Right-of-use assets		55,593	58,325
Investment properties		24,100	24,100
Other investments		130	130
Intangible asset		38	43
Deferred tax assets		946	340
		401,360	411,368
<b>Current Assets</b>			
Inventories		57,475	70,136
Trade receivables		43,061	41,438
Other receivables, deposits and prepayments		5,160	4,297
Current tax assets		2,396	2,200
Cash and bank balances		138,541	125,972
		246,633	244,043
<b>Total Assets</b>		<b>647,993</b>	<b>655,411</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		82,672	82,672
Reserves			
<u>Non-Distributable:</u>			
Revaluation reserve		142,216	142,216
Exchange translation reserve		(739)	(568)
Fair value reserve		47	47
<u>Distributable:</u>			
Retained earnings		357,039	350,351
		498,563	492,046
<b>Total Equity</b>		<b>581,235</b>	<b>574,718</b>
<b>Non-Current Liabilities</b>			
Employment benefits obligation		303	280
Lease liabilities		-	146
Deferred tax liabilities		51,575	53,935
		51,878	54,361
<b>Current Liabilities</b>			
Trade payables		4,386	8,514
Other payables and accruals		9,564	16,468
Lease liabilities		49	215
Current tax liabilities		791	1,033
Contract liabilities		90	102
		14,880	26,332
<b>Total Liabilities</b>		<b>66,758</b>	<b>80,693</b>
<b>Total Equity and Liabilities</b>		<b>647,993</b>	<b>654,411</b>
Net assets per share attributable to owners of the parent (RM)	26	3.52	3.48

*(The Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2024)*

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Year to date ended 30.06.2025 RM'000</b>	<b>Year to date ended 30.06.2024 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit before tax	15,339	29,274
Adjustments for:-		
Amortisation of intangible assets	14,678	15,289
Bad debts written off	7	-
Depreciation of right-of-use assets	810	860
Interest income	(2,016)	(1,467)
Interest on lease liabilities	3	3
Inventories written down	251	233
Net gain on disposal of property, plant and equipment	(46)	(128)
Property, plant and equipment written off	8	1
Provision for employment benefits obligation	40	28
(Reversal)/Provision of impairment losses on trade receivables	(16)	150
Unrealised loss on foreign exchange differences	2,277	508
Operating profit before changes in working capital	31,335	44,603
Net change in current assets	12,138	(1,624)
Net change in current liabilities	(9,483)	(4,944)
Contract liabilities	(12)	-
Employee benefits contributed	(28)	-
Tax paid	(2,966)	(3,386)
<b>Net cash generated from operating activities</b>	<b>30,984</b>	<b>34,649</b>
<b>Cash Flows From Investing Activities</b>		
Interest received	2,016	1,467
Proceeds from disposal of property, plant and equipment	59	142
Purchase of property, plant and equipment	(10,478)	(11,941)
Purchase of intangible asset	(9)	(13)
<b>Net cash used in investing activities</b>	<b>(8,412)</b>	<b>(10,345)</b>
<b>Cash Flows From Financing Activities</b>		
Interest paid	(2)	-
Repayment of lease liabilities	(338)	(19)
Dividend paid	(9,094)	(3,307)
<b>Net cash used in financing activities</b>	<b>(9,434)</b>	<b>(3,326)</b>

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**CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)**

	<b>Year to date ended 30.06.2025 RM'000</b>	<b>Year to date ended 30.06.2024 RM'000</b>
Net increase in cash and cash equivalents	13,138	20,978
Effects of exchange rate fluctuations on cash and cash equivalents	(569)	710
Cash and cash equivalents at beginning of the financial period	125,972	97,952
<b>Cash and cash equivalents at end of the financial period</b>	<b>138,541</b>	<b>119,640</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash and bank balances	68,739	53,464
Short term placements	69,802	66,176
	<b>138,541</b>	<b>119,640</b>

*(The Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2024)*

**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 2025	82,672	142,216	47	(568)	350,351	574,718
Profit for the financial period	-	-	-	-	15,782	15,782
Foreign currency translations, net of tax	-	-	-	(171)	-	(171)
Total comprehensive income	-	-	-	(171)	15,782	15,611
Dividend paid	-	-	-	-	(9,094)	(9,094)
<b>As at 30 June 2025</b>	<b>82,672</b>	<b>142,216</b>	<b>47</b>	<b>(739)</b>	<b>357,039</b>	<b>581,235</b>
As at 1 January 2024	82,672	142,216	47	(345)	324,569	549,159
Profit for the financial period	-	-	-	-	27,239	27,239
Foreign currency translations, net of tax	-	-	-	(295)	-	(295)
Total comprehensive income	-	-	-	(295)	27,239	26,944
Dividend paid	-	-	-	-	(3,307)	(3,307)
<b>As at 30 June 2024</b>	<b>82,672</b>	<b>142,216</b>	<b>47</b>	<b>(640)</b>	<b>348,501</b>	<b>572,796</b>

*(The Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2024)*

## 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”) 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.

This interim financial report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2024. The explanatory notes attached to the interim financial statements provide explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2024.

### 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 preparation of the Group's audited annual financial statements for the year ended 31 December 2024, except for the effects of newly issued Amendments to MFRS applied during the current financial year:-

Title	Effective date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 4 <i>Extension of the Temporary Exemption from Applying MFRS 9</i>	Effective immediately

The 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 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 Auditors' report on preceding annual financial statements

There was no audit qualification on the audit report of the preceding annual financial statements for the financial year ended 31 December 2024.

### 4 Seasonal or cyclical factors

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

### 5 Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 30 June 2025.

### 6 Changes in estimates

There is no significant change in estimates that have had any material effect during the financial period ended 30 June 2025.

### 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 during the finance period ended 30 June 2025.

### 8 Dividends paid

The dividends paid is as follows :

	Period ended 30.06.2025 RM'000	Period ended 30.06.2024 RM'000
Second interim single tier dividend of 4 sen per ordinary share declared for financial year ended 2023, paid on 4 April 2024.	-	3,307
Third interim single tier dividend of 4 sen per ordinary share declared for financial year ended 2024, paid on 8 April 2025.	6,614	-
A first interim single tier dividend of 1.5 sen per ordinary share declared for financial year ending 2025, paid on 30 June 2025.	2,480	-
<b>Total single tier dividends paid</b>	<b>9,094</b>	<b>3,307</b>

## 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	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Malaysia	33,499	38,108	66,941	76,614
- ASEAN	13,439	11,317	24,930	26,018
- Non-ASEAN	18,210	21,747	37,210	43,304
Total Segment Revenue	65,148	71,172	129,081	145,936

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

By Geographical Segment	Quarter ended		Year to date ended	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	RM'000	RM'000	RM'000	RM'000
<u>Segment Capital Expenditure</u>				
- Malaysia	4,552	5,051	10,401	11,941
- ASEAN	-	1	78	13
- Non-ASEAN	7	-	7	-
Total Segment Capital Expenditure	4,559	5,052	10,486	11,954

By Geographical Segment	As at 30.06.2025	As at 31.12.2024
	RM'000	RM'000
<u>Segment Non-Current Assets</u>		
- Malaysia	355,642	363,009
- ASEAN	45,218	47,805
- Non-ASEAN	500	554
Total Segment Non-Current Assets	401,360	411,368



**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**

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 during the period ended 30 June 2025.

**13 Changes in contingent liabilities**

There were no contingent assets and contingent liabilities as at 30 June 2025.

**14 Capital commitments**

The capital commitments of the Group as at 30 June 2025 were as follows:

	<b>As at 30.06.2025 RM'000</b>
<u>Property, plant and equipment</u>	
Contracted but not provided for	<u>8,630</u>
Approved but not contracted for	<u>30,618</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*

For the current quarter under review (“2Q 2025”), the Group recorded revenue of RM65.1 million, a decrease of RM6.1 million compared to RM71.2 million in the corresponding quarter of the preceding year (“2Q 2024”). The decline was mainly due to softer domestic market.

Profit Before Tax (“PBT”) decreased by RM6.7 million from RM13.2 million in 2Q 2024 to RM6.5 million in 2Q 2025. The decrease was mainly due to lower revenue, higher operation costs and lower other operating income.

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

The Group recorded revenue of RM129.1 million in YTD 2Q 2025, a decline of RM16.8 million from RM145.9 million in YTD 2Q 2024. The decline was mainly due to lower revenue in both the local and export markets.

PBT decreased from RM29.3 million in YTD 2Q 2024 to RM15.3 million in YTD 2Q 2025. The performance was negatively affected by challenging market environment in both local and export markets, higher operation costs, unfavourable movement arising from forex as well as lower other operating income.

### **16 Variation of results against preceding quarter**

Compared to the first quarter of 2025 (“1Q 2025”), revenue in 2Q 2025 of RM65.1 million approximate the revenue of 1Q 2025 of RM63.9 million with a slight increase in revenue from the export market.

PBT however, declined by RM2.3 million to RM6.5 million in 2Q 2025 from RM8.8 million in 1Q 2025. Higher operation costs had negatively impacted profitability during this quarter.

### **17 Prospects**

According to the International Monetary Fund’s forecast in July 2025, global economic growth is projected at 3.0% in 2025 and 3.1% in 2026. This reflects a modest upward revision from earlier estimates, supported by stronger-than-expected trade activity in the first half of the year. The improvement was driven by front-loading of shipments ahead of anticipated tariff changes, a temporary reduction in effective US tariff rates, and improved financial conditions including a weaker US Dollar. Nonetheless, the global outlook remains cautious, with risks to growth still tilted to the downside due to persistent trade tensions, policy uncertainty, and geopolitical developments.

Domestically, Malaysia’s economy is expected to maintain a moderate growth trajectory, supported by continued resilience in the services, manufacturing, and construction sectors. The recent policy rate cut by Bank Negara Malaysia is also anticipated to support domestic demand and bolster consumer sentiment and spending. The Ringgit is expected to strengthen in line with the continued weakening of the US Dollar, which has been driven by concerns over US fiscal sustainability, and reduced investor confidence in dollar-linked assets. While this reflects strengthening macroeconomic fundamentals, it may pose challenges to the conversion of the Group’s export revenue which is denominated in US Dollar and potentially affect overall profitability.

**17 Prospects (continued)**

Competitive pressures are expected to persist, driven by an ongoing global price war and increased dumping activity in key export markets. Despite these challenges, demand for the Group's products is expected to remain stable, underpinned by a growing aging vehicle population that continues to fuel demand for essential replacement components. Additionally, prevailing economic conditions are prompting a shift in consumer preference toward cost-effective aftermarket alternatives, providing further support for the Group's product offerings.

In response to these external pressures, the Group remains focused on managing cost escalation through intensified efforts to improve operational efficiency, reduce waste and strengthen supply chain resilience. Barring any unforeseen circumstances, the Group expects its financial performance for the financial year ending 2025 to remain satisfactory.

**18 Profit forecast**

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

**19 Tax credit**

	<b>Quarter ended 30.06.2025 RM'000</b>	<b>Year to date ended 30.06.2025 RM'000</b>
Current tax expense	1,119	2,530
Deferred tax	(1,269)	(2,973)
	<u>(150)</u>	<u>(443)</u>

The effective tax rate of the Group was lower than the statutory tax rate, primarily attributable to the utilisation of reinvestment allowance incentives and recognition of deferred tax assets.

**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 period-to-date 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 second interim single tier dividend of 1.5 sen per ordinary share in respect of the financial year ending 31 December 2025 (2Q 2024: first interim single tier dividend of 2.0 sen). The dividend will be paid on 10 October 2025 to shareholders registered in the Record of Depositors as at 5.00 p.m. on 12 September 2025.

The interim dividend will be accounted for as an appropriation of retained earnings in the year in which it is declared.

## 25 Earnings per share

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Quarter ended</b>	<b>Quarter ended</b>	<b>Year to date ended</b>	<b>Year to date ended</b>
	<b>30.06.2025</b>	<b>30.06.2024</b>	<b>30.06.2025</b>	<b>30.06.2024</b>
Net profit attributable to owners of the parent (RM'000)	6,683	12,116	15,782	27,239
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)	4.04	7.33	9.54	16.47

## 26 Net assets per share

	<b>As at</b>	<b>As at</b>
	<b>30.06.2025</b>	<b>31.12.2024</b>
Total equity attributable to owners of the parent (RM'000)	581,235	574,718
Weighted average number of ordinary shares applicable to basic earnings per share ('000)	165,344	165,344
Net assets per share (RM)	3.52	3.48

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**27 Profit before tax**

	<b>Quarter ended 30.06.2025 RM'000</b>	<b>Year to date ended 30.06.2025 RM'000</b>
Profit before tax is arrived at after charging/(crediting):		
Amortisation of intangible asset	7	12
Bad debts written off	7	7
Depreciation of property, plant and equipment	7,487	14,666
Depreciation of right-of-use assets	399	810
Fair value gain on money market funds	(191)	(309)
Fair value gain on short term funds	(206)	(291)
Gain on foreign exchange:		
- Realised	(203)	(299)
- Unrealised	(921)	(1,229)
Gain on disposal of property, plant and equipment	(1)	(46)
Interest on lease liabilities	3	3
Interest income	(1,050)	(2,016)
Inventories written down	153	251
Loss on foreign exchange:		
- Realised	1,255	1,393
- Unrealised	1,701	3,506
Provision for employment benefits obligation	20	40
Property, plant and equipment written off	-	8
Reversal on trade receivables	(15)	(16)
Rental income from investment properties	(250)	(435)

By Order of the Board

TEO MEE HUI (MAICSA 7050642) (SSM PC No. 202008001081)

TAN BEE HWA (MAICSA 7058049) (SSM PC No. 202008001174)

Secretaries

Kuala Lumpur

27 August 2025