THE MALAYSIAN RESERVE – 10 SEPTEMBER 2026

NEW Hoong Fatt Holdings Bhd said its wholly owned subsidiary Jhi Soon Manufacturing Industries Sdn Bhd has entered into an agreement to invest up to RM20 million in a venture capital fund.

The subsidiary will subscribe for up to 20 million Class A redeemable preference shares in Cypress Drive Ventures Sdn Bhd (FundCo) at RM1 per share.

The investment will be funded internally and drawn down progressively through capital calls.

FundCo is a special purpose venture capital vehicle that will invest in about five to seven high-potential growth-stage companies.

The fund will be managed by Cypress Asia Sdn Bhd, a venture capital management company registered with the Securities Commission Malaysia.

The investment committee will comprise two members nominated by New Hoong Fatt and two by the fund promoter, Cypress Asia Capital Sdn Bhd. Decisions require a simple majority, including the support of at least one New Hoong Fatt-nominated member.

The fund is intended to have a seven-year investment period, with an option to extend it by two successive 12-month periods.

New Hoong Fatt said the investment forms part of its capital allocation strategy, giving the group exposure to emerging business models, technologies and market opportunities while allowing it to remain focused on its automotive replacement parts business.

The investment is not expected to have a material effect on the group's earnings, net assets, gearing or shareholding structure for the financial year ending Dec 31, 2026.

The company said returns will depend on the performance and eventual realisation of the fund's underlying investments, and are expected over a longer investment horizon.

https://themalaysianreserve.com/2026/09/10/new-hoong-fatt-to-invest-up-to-rm20m-in-venture-capital-fund/#google_vignette