

## General Announcement

Reference No **CCS-111116-3DD19**

Submitting Merchant : -  
Bank  
Company Name : **NEW HOONG FATT HOLDINGS BERHAD**  
Stock Name : NHFATT  
Date Announced : 16/11/2011

Type : Announcement  
Subject : OTHERS

Description : RESTRUCTURING OF MANUFACTURING DIVISION

Announcement Details/Table Section :

### 1. INTRODUCTION

The Board of Directors of New Hoong Fatt Holdings Berhad (“the Company” or “NHF”) wishes to announce that the NHF Group has commenced a restructuring exercise for its manufacturing division (“the Restructuring Exercise”).

The Restructuring Exercise involves the following wholly-owned subsidiaries of the Company:

	<b>Name of Subsidiaries</b>	<b>Principal Activities</b>
1.	NJ Manufacturing Industries Sdn Bhd (“NJ”)	Manufacturing and marketing of metal automotive parts
2.	Jhi Soon Manufacturing Industries Sdn Bhd (“JS”)	Manufacturing and marketing of plastic automotive parts
3.	Auto Global Parts Industries Sdn Bhd (“AGP”)	Manufacturing and marketing of automotive parts

The Restructuring Exercise involves the transfer of the businesses of NJ and JS into AGP which will in turn be the flagship company to manufacture and market the NHF Group’s metal and plastic automotive parts, replacing NJ and JS. Upon completion of the Restructuring Exercise, NJ and JS will cease operations.

### 2. RATIONALE FOR THE RESTRUCTURING EXERCISE

In pursuit of a global identity and new branding arising from the NHF Group’s strategy to grow its business locally and internationally, the Restructuring Exercise is part of the NHF Group’s business rationalization plans whereby the core competencies of the NHF Group’s metal and plastic parts entities (NJ and JS) are integrated into one entity which is to be a flagship company (AGP) to manufacture and market metal and plastic automotive parts. Through AGP, the Group aims to achieve competitive advantage in the automotive industry through improvements in efficiency and reduction in operating costs.

### **3. FINANCIAL OR OPERATIONAL EFFECTS OF THE RESTRUCTURING EXERCISE**

The Restructuring Exercise will not have any material effect on the issued and paid-up share capital, the net assets and the earnings per share of the Company.

### **4. TIMEFRAME FOR COMPLETION**

The Restructuring Exercise commenced on 16 November 2011 and is expected to be completed by 31 December 2011.

### **5. DIRECTORS' OPINION**

The Board of Directors is of the opinion that the Restructuring Exercise is in the best interest of the Company.

This announcement is dated 16 November 2011.