

General Announcement

Reference No **CCS-110601-1C16A**

Submitting Merchant Bank : -
Company Name : **NEW HOONG FATT HOLDINGS BERHAD**
Stock Name : NHFATT
Date Announced : 01/06/2011

Type : Announcement
Subject : OTHERS

Description : ESTABLISHMENT OF A WHOLLY FOREIGN OWNED ENTERPRISE
IN THE PEOPLE'S REPUBLIC OF CHINA, TO BE WHOLLY-OWNED
BY NHF VENTURES SDN BHD

Announcement Details/Table Section :

1. Introduction and Rationale

The Board of Directors of New Hoong Fatt Holdings Berhad ("NHFHB" or "the Company") wishes to announce that its wholly owned subsidiary, NHF Ventures Sdn Bhd has on 17 May 2011 obtained the approval from the Ministry of Commerce in the People's Republic of China to set up a Wholly Foreign Owned Enterprise by the name of Ampire Auto Parts (Shanghai) Co. Ltd ("Subsidiary"). The certificate of approval dated 30 May 2011 was received on 1 June 2011.

The paid up capital of the Subsidiary will be RMB10.5 million. The Subsidiary will be principally involved in the importing, exporting and trading of automotive spare parts and accessories in the People's Republic of China with the aim of capturing the automotive spare parts market in this country.

2. Effects of Incorporation

The incorporation of the Subsidiary ("Incorporation") is not expected to have any material effects on the issued and paid-up capital, consolidated earnings, net assets per share, gearing and substantial shareholders' shareholdings of the Company for the financial year ending 31 December 2011.

3. Approvals Required

The Incorporation is not subject to the approval of NHFHB's shareholders nor any relevant governmental authorities.

4. Interests of the Directors, Major Shareholders and Persons connected with them

None of the Directors or major shareholders of NHFHB or persons connected with them have any interest, direct or indirect, in the Incorporation.

5. Directors' Opinion

The Directors of the Company are of the opinion that the Incorporation is in the best interest of the NHFHB Group.

This announcement is dated 1 June 2011.