


NEW HOONG FATT HOLDINGS BERHAD (425709-K)

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RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2016
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 30.09.2016	Quarter ended 30.09.2015	Year to date ended 30.09.2016	Year to date ended 30.09.2015
		RM'000	RM'000	RM'000	RM'000
Revenue		54,479	53,171	169,081	153,029
Cost of sales		(39,462)	(37,264)	(121,452)	(108,999)
Gross profit		15,017	15,907	47,629	44,030
Other operating income		9,312	3,794	15,825	9,998
Operating expenses		(16,164)	(10,564)	(38,824)	(31,961)
Finance costs		(348)	(240)	(923)	(659)
Profit before tax		7,817	8,897	23,707	21,408
Tax expense	20	(1,406)	(3,659)	(3,208)	(6,646)
Net profit for the period		6,411	5,238	20,499	14,762
Other comprehensive (loss) / income					
Foreign currency translations		(493)	2,743	(2,931)	1,597
Total comprehensive income for the period		5,918	7,981	17,568	16,359
Profit attributable to owners of the parent		6,411	5,238	20,499	14,762
Total comprehensive income attributable to owners of the parent		5,918	7,981	17,568	16,359
Earnings per share attributable to owners of the parent	26				
Basic (sen)		8.53	6.97	27.27	19.64
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 2015)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	As at 30.09.2016 RM'000	As at 31.12.2015 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	10	307,296	270,963
Investment properties	10	16,500	15,600
Available-for-sale financial assets		130	130
Intangible assets		-	5
		323,926	286,698
Current Assets			
Inventories		40,922	39,354
Trade receivables		41,664	36,990
Other receivables, deposits & prepayments		10,615	9,544
Current tax assets		1,097	1,689
Cash and bank balances		21,058	23,669
		115,356	111,246
Total Assets		439,282	397,944
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		75,157	75,157
Reserves			
<u>Non-Distributable:</u>			
Share premium		4,210	4,210
Revaluation reserve	10	55,820	36,550
Exchange translation reserve		(733)	2,198
Available-for-sale reserve		47	47
<u>Distributable:</u>			
Retained earnings		232,085	211,885
		291,429	254,890
Total Equity		366,586	330,047
Non-Current Liabilities			
Borrowings (interest bearing)	22	-	303
Employment benefit obligation		54	32
Deferred tax liabilities		24,973	22,614
		25,027	22,949
Current Liabilities			
Trade payables		9,932	7,911
Other payables & accruals		7,559	7,908
Borrowings (interest bearing)	22	29,377	28,353
Current tax liabilities		801	776
		47,669	44,948
Total Liabilities		72,696	67,897
Total Equity and Liabilities		439,282	397,944
Net assets per share attributable to owners of the parent (RM)		4.88	4.39

(The Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2015)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year to date ended 30.09.2016 RM'000	Year to date ended 30.09.2015 RM'000
Cash Flows From Operating Activities		
Profit before tax	23,707	21,408
Adjustments for:-		
Amortisation and depreciation	20,153	18,631
Bad debts written off	3	4
Fair value gain on investment properties	(900)	-
Impairment losses on trade receivables	150	264
Interest income	(126)	(119)
Interest expense	923	659
Inventories written down	201	283
Net gain on disposal of property, plant and equipment	(304)	(153)
Property, plant and equipment written off	13	189
Provision for employment benefit obligation	23	-
Reversal of impairment loss on trade receivables	(37)	(23)
Unrealised loss / (gain) on foreign exchange differences	3,469	(947)
Operating profit before changes in working capital	47,275	40,196
Net change in current assets	(4,295)	(9,859)
Net change in current liabilities	(7,902)	(393)
Tax paid	(3,034)	(3,307)
Net cash generated from operating activities	32,044	26,637
Cash Flows From Investing Activities		
Interest received	126	119
Proceeds from disposal of property, plant and equipment	316	186
Purchase of property, plant and equipment	(28,576)	(26,085)
Net cash used in investing activities	(28,134)	(25,780)
Cash Flows From Financing Activities		
Interest paid	(923)	(659)
Net drawdown of bank borrowings	750	4,686
(Repayment) / Drawdown of hire purchase	(8)	20
Dividend paid	(6,013)	(5,261)
Net cash used in financing activities	(6,194)	(1,214)

CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

	Year to date ended 30.09.2016 RM'000	Year to date ended 30.09.2015 RM'000
Net decrease in cash and cash equivalents	(2,284)	(357)
Effects of exchange rate fluctuations on cash & cash equivalents	(327)	430
Cash and cash equivalents at beginning of the financial period	23,669	13,486
Cash and cash equivalents at end of the financial period	21,058	13,559
Cash and cash equivalents comprise of:		
Cash and bank balances	21,055	13,559
Short term placements	3	-
	21,058	13,559

(The Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2015)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent						
	Non-distributable					Distributable	
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Available for sale reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total Equity RM'000
As at 1 January 2015	75,157	4,210	36,550	47	(1,254)	200,119	314,829
Profit for the financial period	-	-	-	-	-	14,762	14,762
Foreign currency translations	-	-	-	-	1,597	-	1,597
Total comprehensive income	-	-	-	-	1,597	14,762	16,359
Dividend	-	-	-	-	-	(5,261)	(5,261)
As at 30 September 2015	75,157	4,210	36,550	47	343	209,620	325,927
As at 1 January 2016	75,157	4,210	36,550	47	2,198	211,885	330,047
Profit for the financial period	-	-	-	-	-	20,499	20,499
Revaluation surplus of land and buildings, net of tax	-	-	24,984	-	-	-	24,984
Transfer from revaluation reserve to retained earnings	-	-	(5,714)	-	-	5,714	-
Foreign currency translations	-	-	-	-	(2,931)	-	(2,931)
Total comprehensive income / (loss)	-	-	19,270	-	(2,931)	26,213	42,552
Dividend	-	-	-	-	-	(6,013)	(6,013)
As at 30 September 2016	75,157	4,210	55,820	47	(733)	232,085	366,586

(The Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2015)

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 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 2015.

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 financial year ended 31 December 2015.

2 Adoption of Malaysian Financial Reporting Standards

The significant accounting policies 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 2015, except for the effects of newly issued Malaysian Financial Reporting Standards (“MFRS”) and IC Interpretations (“IC Int.”) applied during the current financial period:-

Title	Effective date
Amendments to MFRS 10, MFRS 12 and MFRS 128 <i>Investment Entities: Applying the Consolidation Exception</i>	1 January 2016
Amendments to MFRS 11 <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to MFRS 101 <i>Disclosure Initiative</i>	1 January 2016
Amendments to MFRS 116 and MFRS 138 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to MFRS 127 <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to MFRSs <i>Annual Improvements to 2012 – 2014 Cycle</i>	1 January 2016
MFRS 14 <i>Regulatory Deferral Accounts</i>	1 January 2016

The Group has not adopted the following Standards of MFRS Framework that have been issued but not yet effective:

Title	Effective date
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associates or Joint Venture</i>	Deferred
Amendments to MFRS 107 <i>Disclosure Initiatives</i>	1 January 2017
Amendments to MFRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
MFRS 9 <i>Financial Instruments (IFRS as issued by IASB in July 2014)</i>	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
MFRS 16 <i>Leases</i>	1 January 2019

3 Qualified audit report

The financial statements for the financial year ended 31 December 2015 was 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 are 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 or previous 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 30.09.2016 RM'000	Year to date ended 30.09.2016 RM'000
Final single tier dividend of 8 sen per ordinary share declared for financial year ended 2015, paid on 14 July 2016.	<u>6,013</u>	<u>6,013</u>

9 Segmental information

By Business Segment	Quarter ended		Year to date ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Trading	29,648	28,511	90,583	81,508
- Manufacturing	24,831	24,660	78,498	71,521
Total Segment Revenue	54,479	53,171	169,081	153,029

9 Segmental information (continued)

By Business Segment	Quarter ended		Year to date ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	RM'000	RM'000	RM'000	RM'000
<u>Segment Profit/(Loss) Before Tax</u>				
- Trading	480	(791)	436	(3,514)
- Manufacturing	7,884	10,087	24,783	26,156
- Investment	(199)	(159)	(589)	(575)
Total Segment Profit	8,165	9,137	24,630	22,067

By Geographical Segment	Quarter ended		Year to date ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Malaysia	26,877	25,851	82,106	74,324
- Asean	7,503	6,783	25,911	22,566
- Non-Asean	20,099	20,537	61,064	56,139
Total Segment Revenue	54,479	53,171	169,081	153,029
<u>Segment Capital Expenditure</u>				
- Malaysia	10,816	7,806	28,464	25,946
- Asean	2	10	100	138
- Non-Asean	9	-	12	1
Total Segment Capital Expenditure	10,827	7,816	28,576	26,085

By Geographical Segment	As at 30.09.2016	As at 31.12.2015
	RM'000	RM'000
<u>Segment Non-Current Assets</u>		
- Malaysia	298,007	263,818
- Asean	25,760	22,632
- Non-Asean	159	248
Total Segment Non-Current Assets	323,926	286,698

Included in the measure of segment profit are:

	Trading RM'000	Manufacturing RM'000	Investment RM'000	Total RM'000
Depreciation and amortisation	(2,164)	(17,989)	-	(20,153)

9 Segmental information (continued)

Reconciliation of reportable segment profit or loss to the Group's corresponding amount is as follows:

Profit for the financial period	RM'000
Total profit for reportable segments	24,630
Finance costs	<u>(923)</u>
Profit before tax	23,707
Income tax expense	<u>(3,208)</u>
Net profit for the financial period	<u><u>20,499</u></u>

10 Valuation of Property, Plant and Equipment and Investment Properties

Four (4) valuations had been conducted between 9 September 2016 and 28 September 2016 by two registered valuers, KPH Property Consultants (KL) Sdn Bhd in Malaysia and Andreas Parlindungan Siregar in Indonesia on the Group's Property, Plant and Equipment and Investment Properties (freehold land and building, long term leasehold land and building) by reference to the open market value based on existing use basis and cost approach method respectively. The purpose of the valuation exercise was to ascertain the market value of the assets for accounting purposes in accordance with the Malaysian Financial Reporting Standards 116 and 140.

Accordingly, a revaluation surplus of RM28.7 million had been incorporated into the Group's Property, Plant and Equipment and Investment Properties for the financial period ended 30 September 2016. The revaluation surplus (net of tax) that was recognised in the Statement of Financial Position as Revaluation Reserve amounted to RM19.3 million for the Property, Plant and Equipment and RM0.6 million for the Investment Properties in the Retained Earnings. As a result, the consolidated net assets value per share of the Group increased by RM0.26 in the current financial period.

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

The Group had incorporated a wholly-owned subsidiary in Indonesia, namely PT Auto Global Parts Indonesia on 20 June 2016 with an initial paid-up capital of IDR10.0 billion (approximately RM3.2 million). This subsidiary was incorporated for future expansion purpose, in the manufacturing and distribution of automotive spare parts.

Save for the above, there have been no other changes in the composition of the Group.

13 Changes in contingent liabilities

The contingent liabilities of the Group were as follows:

	As at 30.09.2016 RM'000	As at 31.12.2015 RM'000
Corporate guarantees given to banks and vendors for credit facilities granted to subsidiaries	<u>36,246</u>	<u>33,571</u>

14 Capital commitments

	As at 30.09.2016 RM'000
<u>Property, plant and equipment</u>	
Contracted but not provided for	<u>14,257</u>
Approved but not contracted for	<u>9,870</u>

15 Comparative figures

The following comparative amounts have been restated to conform to the current financial period's presentation, which pertains to realised and unrealised foreign exchange gain or loss:

For the quarter ended 30.09.2015	As previously stated RM'000	Reclassification RM'000	As restated RM'000
Consolidated Statements of Profit or Loss and Other Comprehensive Income			
Other operating income	3,807	(13)	3,794
Operating expenses	(10,577)	13	(10,564)
			<u> </u>
For year to date ended 30.09.2015			
	As previously stated RM'000	Reclassification RM'000	As restated RM'000
Consolidated Statements of Profit or Loss and Other Comprehensive Income			
Other operating income	9,668	330	9,998
Operating expenses	(31,631)	(330)	(31,961)
			<u> </u>

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

16 Review of performance

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

The Group recorded RM1.3 million or 2.4% increase in revenue from RM53.2 million in the corresponding quarter of preceding year (“3Q 2015”) to RM54.5 million in the current quarter under review (“3Q 2016”). The increase in revenue was mainly attributed to higher demand in the local market.

However, Profit Before Tax (“PBT”) was lower by RM1.1 million or 12.4% from RM8.9 million in 3Q 2015 to RM7.8 million in 3Q 2016, despite the fair value gain on the investment properties amounted to RM0.9 million recognized in the current quarter. The decrease in PBT was mainly due to higher manufacturing costs and operating expenses.

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

The Group recorded RM16.1 million or 10.5% increase in revenue from RM153.0 million in YTD 3Q 2015 to RM169.1 million in YTD 3Q 2016. The increase in revenue was mainly attributed to higher demand in the local and overseas markets as well as favourable impact from foreign exchange rate.

PBT increased by RM2.3 million or 10.7% from RM21.4 million in YTD 3Q 2015 to RM23.7 million in YTD 3Q 2016. The increase was mainly due to higher revenue, favourable impact from foreign exchange rate and fair value gain on the investment properties. This increase however, was partially offset by higher manufacturing costs and operating expenses.

17 Segmental performance review

Trading segment

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

Revenue for the trading segment increased by RM1.1 million or 3.9% from RM28.5 million in 3Q 2015 to RM29.6 million in 3Q 2016. The increase in revenue was mainly attributed to higher demand in the local market.

The segment recorded a profit of RM0.5 million in 3Q 2016 compared to a loss of RM0.8 million in 3Q 2015. The increase in profit was mainly attributed to the increase in revenue, favourable impact from foreign exchange rate and fair value gain on the investment properties. The increase however, was partially offset by higher operating expenses in the current quarter under review.

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

Revenue for the trading segment increased by RM9.1 million or 11.2% from RM81.5 million in YTD 3Q 2015 to RM90.6 million in YTD 3Q 2016, mainly attributed to higher demand in the local and overseas markets.

Consequently, the segment recorded a profit of RM0.4 million in YTD 3Q 2016 compared to a loss of RM3.5 million in YTD 3Q 2015, mainly due to higher revenue, favourable impact from foreign exchange rate and fair value gain on the investment properties. The increase however, was partially offset by higher operating expenses in the current YTD period under review.

17 Segmental performance review (continued)

Manufacturing segment

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

Revenue for the manufacturing segment increased marginally by RM0.1 million or 0.4% from RM24.7 million in 3Q 2015 to RM24.8 million in 3Q 2016.

However, profit for the segment was lower by RM2.2 million or 21.8% from RM10.1 million in 3Q 2015 to RM7.9 million in 3Q 2016. The decrease in profit was mainly due to higher manufacturing costs, higher operating expenses and lower foreign exchange gain in the current quarter under review.

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

Revenue for the manufacturing segment increased by RM7.0 million or 9.8% from RM71.5 million in YTD 3Q 2015 to RM78.5 million in YTD 3Q 2016. The increase was mainly due to higher demand in the overseas market and favourable impact from foreign exchange rate.

However, profit for the segment was lower by RM1.4 million or 5.3% from RM26.2 million in YTD 3Q 2015 to RM24.8 million in YTD 3Q 2016. The decrease in profit was mainly due to higher manufacturing costs, higher operating expenses and lower foreign exchange gain in the current YTD period under review.

18 Variation of results against preceding quarter

Compared to the preceding quarter, revenue was lower by RM5.5 million or 9.2% from RM60.0 million in 2Q 2016 to RM54.5 million in 3Q 2016. The decrease was mainly due to lower demand in the local as well as overseas markets.

PBT was lower by RM2.1 million or 21.2% from RM9.9 million in 2Q 2016 to RM7.8 million in 3Q 2016. The decrease in profit was mainly due to lower revenue achieved and higher operating expenses, partially mitigated by the fair value gain on the investment properties in the current quarter under review.

19 Future Prospects

The market conditions are expected to remain challenging for the remainder of 2016 and beyond. Nevertheless, the Group will continue to focus on lowering costs and improving operational efficiency to strengthen its competitiveness in the market.

20 Profit forecast

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

21 Tax expense

	Quarter ended 30.09.2016 RM'000	Year to date ended 30.09.2016 RM'000
Tax expense	715	3,651
Deferred tax liabilities	691	(443)
	<u>1,406</u>	<u>3,208</u>

The effective tax rate for the current financial period was lower than the statutory tax rate mainly due to utilisation of Reinvestment Allowance, reversal of deferred tax liabilities arising from unrealised foreign exchange differences and utilisation of unabsorbed losses from the subsidiaries of the Group.

22 Status of corporate proposal

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

23 Group borrowings and debt securities

	As at 30.09.2016 RM'000	As at 31.12.2015 RM'000
Current liabilities		
<i>Unsecured:-</i>		
Bankers' acceptance	28,831	25,300
Hire purchase	-	8
Term loans	546	3,045
Sub-total	<u>29,377</u>	<u>28,353</u>
Non-current liabilities		
<i>Unsecured:-</i>		
Term loans	-	303
Sub-total	<u>-</u>	<u>303</u>
Total borrowings	<u>29,377</u>	<u>28,656</u>
Total borrowings		
Bankers' acceptances	28,831	25,300
Hire purchase	-	8
Term loans	546	3,348
	<u>29,377</u>	<u>28,656</u>

23 Group borrowings and debt securities (continued)

The currency exposure profile of borrowings is as follows:

	As at 30.09.2016 RM'000	As at 31.12.2015 RM'000
Ringgit Malaysia	29,377	28,226
Chinese Renminbi	-	422
Indonesia Rupiah	-	8
	<u>29,377</u>	<u>28,656</u>

24 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.

25 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.

26 Dividend

The Board of Directors is pleased to declare an interim single tier dividend of 3 sen per ordinary share of RM1.00 each in respect of the financial year ending 31 December 2016 amounting to RM2,254,698 (2015: interim single tier 3 sen per ordinary share of RM1.00 each, RM2,254,698).

The dividend will be paid on 16 December 2016 to shareholders registered in the Record of Depositors on 30 November 2016.

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

27 Earnings per share

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Quarter ended 30.09.2016	Quarter ended 30.09.2015	Year to date ended 30.09.2016	Year to date ended 30.09.2015
Net profit attributable to owners of the parent (RM'000)	<u>6,411</u>	<u>5,238</u>	<u>20,499</u>	<u>14,762</u>
Weighted average number of ordinary shares applicable to basic earnings per share ('000)	75,157	75,157	75,157	75,157
Basic earnings per share (sen)	8.53	6.97	27.27	19.64

28 Realised and unrealised profits or losses disclosure

The determination of Realised and Unrealised Profits or Losses is prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and at the directive of Bursa Malaysia Securities Berhad:

	As at 30.09.2016 RM'000	As at 31.12.2015 RM'000
Total retained earnings before consolidated adjustments		
- Realised	322,541	303,334
- Unrealised	(14,996)	(19,340)
	<u>307,545</u>	<u>283,994</u>
Less : Consolidated adjustments	(75,460)	(72,109)
Total Group retained earnings as per consolidated financial statements	<u>232,085</u>	<u>211,885</u>

29 Profit before tax

	Quarter ended 30.09.2016 RM'000	Year to date ended 30.09.2016 RM'000
Profit before tax is arrived at after charging / (crediting):		
Amortisation of intangible asset	1	4
Bad debts written off	-	3
Depreciation of property, plant and equipment	7,324	20,149
Fair value gain on investment properties	(900)	(900)
Gain on disposal of property, plant and equipment	(12)	(304)
Gain on foreign exchange:		
- Realised	(6,483)	(6,569)
- Unrealised	-	(2,077)
Impairment losses on trade receivables	49	150
Interest expense	348	923
Interest income	(60)	(126)
Inventories written down	39	201
Loss on foreign exchange:		
- Realised	-	79
- Unrealised	4,396	5,546
Property, plant and equipment written off	7	13

29 Profit before tax (continued)

	Quarter ended 30.09.2016 RM'000	Year to date ended 30.09.2016 RM'000
Profit before tax is arrived at after charging / (crediting):		
Provision for employment benefit obligation	10	23
Rental income from investment properties	(201)	(606)
Reversal of impairment loss on trade receivables	(3)	(37)
	<hr/>	<hr/>

By Order of the Board

TAI YIT CHAN
CHOONG LEE WAH
Secretaries

Kuala Lumpur
7 November 2016