

**PNE PCB Berhad**  
(Company No. 168098-V)  
(Incorporated in Malaysia)

**Interim Financial Report (Announcement)**  
**31 December 2011**

**PNE PCB Berhad**

(Company No. 168098-V)

(Incorporated in Malaysia)

**Condensed consolidated statement of financial position****As at 31 December 2011**

	Note	31.12.2011 RM'000	30.09.2011 RM'000
<b>Assets</b>			
Property, plant and equipment	3	24,605	25,510
Investments in quoted shares		1,307	1,157
<b>Total non-current assets</b>		<u>25,912</u>	<u>26,667</u>
Inventories		11,140	12,640
Trade and other receivables		17,704	24,588
Tax recoverable		20	20
Cash and cash equivalents		26,625	19,152
<b>Total current assets</b>		<u>55,489</u>	<u>56,400</u>
<b>Total assets</b>		<u>81,401</u>	<u>83,067</u>
<b>Equity</b>			
Share capital		65,749	65,749
Reserves		(9,337)	(10,062)
<b>Total equity attributable to shareholders of the Company/Total equity</b>		<u>56,412</u>	<u>55,687</u>
<b>Liabilities</b>			
Trade and other payables		24,989	27,380
Bank overdraft		--	--
Taxation		--	--
<b>Total current liabilities</b>		<u>24,989</u>	<u>27,380</u>
<b>Total liabilities</b>		<u>24,989</u>	<u>27,380</u>
<b>Total equity and liabilities</b>		<u>81,401</u>	<u>83,067</u>
<b>Net assets per share of RM1.00 each (RM)</b>		<u>0.86</u>	<u>0.85</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements.

**PNE PCB Berhad**

(Company No. 168098-V)  
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## Condensed consolidated statement of comprehensive income For the period ended 31 December 2011

	Individual 3 months ended 31 December		Cumulative 3 months ended 31 December	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
<b>Revenue</b>	20,870	13,774	20,870	13,774
Cost of sales	<u>(17,268)</u>	<u>(12,408)</u>	<u>(17,268)</u>	<u>(12,408)</u>
<b>Gross profit</b>	3,602	1,366	3,602	1,366
Operating (expenses)/income	<u>(2,960)</u>	<u>(2,131)</u>	<u>(2,960)</u>	<u>(2,131)</u>
<b>Operating profit/(loss)</b>	642	(765)	642	(765)
Finance costs	--	--	--	--
Interest income	93	46	93	46
<b>Profit before tax</b>	735	(719)	735	(719)
Tax (expense)/income	<u>(1)</u>	<u>--</u>	<u>(1)</u>	<u>--</u>
<b>Profit after tax</b>	734	(719)	734	(719)
Foreign currency translation differences for foreign subsidiaries	<u>(9)</u>	<u>71</u>	<u>(9)</u>	<u>71</u>
<b>Total comprehensive income/(expense) for the period</b>	<u>725</u>	<u>(648)</u>	<u>725</u>	<u>(648)</u>
Basic earnings per ordinary share (sen)	<u>1.12</u>	<u>(1.09)</u>	<u>1.12</u>	<u>(1.09)</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements.

# PNE PCB Berhad

(Company No. 168098-V)

(Incorporated in Malaysia)

## Condensed consolidated statement of changes in equity For the period ended 31 December 2011

	Share capital RM'000	Non- Distributable Translation Reserves RM'000	<i>Distributable</i> Retained earnings/ (Accumulated losses) RM'000	Total equity RM'000
<i>At 1 October 2010</i>	65,749	4,197	(15,982)	53,964
<i>Net gains recognised directly in equity</i>				
Exchange fluctuation on translation of the financial statements of foreign subsidiaries	--	71	--	71
Loss for the period	--	--	(719)	(719)
Total comprehensive expense for the period	--	71	(719)	(648)
<i>At 31 December 2010</i>	<u>65,749</u>	<u>4,268</u>	<u>(16,701)</u>	<u>53,316</u>
<i>At 1 October 2011</i>	65,749	5,449	(15,511)	55,687
<i>Net gains recognised directly in equity</i>				
Exchange fluctuation on translation of the financial statements of foreign subsidiaries	--	(9)	--	(9)
Profit for the period	--	--	734	734
Total comprehensive income for the period	--	(9)	734	725
<i>At 31 December 2011</i>	<u>65,749</u>	<u>5,440</u>	<u>(14,777)</u>	<u>56,412</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements.

**PNE PCB Berhad**

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**Condensed consolidated statement of cash flows  
For the period ended 31 December 2011**

	<b>3 months ended 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	735	(719)
Adjustments for non-cash flow:		
Non-cash items	913	803
Non-operating items	(163)	(181)
<b>Operating profit before changes in working capital</b>	<u>1,485</u>	<u>(97)</u>
Net change in current assets	8,385	4,163
Net change in current liabilities	(2,340)	(1,996)
<b>Net cash from/(used in) operating activities</b>	<u>7,530</u>	<u>2,070</u>
<b>Cash flows from investing activities</b>		
Equity Investment	11	(343)
Other Investment	(59)	--
<b>Net cash used in investing activities</b>	<u>(48)</u>	<u>(343)</u>
Exchange differences on translation of the financial statements of foreign subsidiaries	<u>(2)</u>	<u>52</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	7,480	1,779
<b>Cash and cash equivalents at beginning of period</b>	19,152	14,208
Foreign exchange differences on opening balance	(7)	9
<b>Cash and cash equivalents at end of period</b>	<u>26,625</u>	<u>15,996</u>
<b>Cash and cash equivalents comprises:</b>		
Cash and bank balances	15,149	6,366
Fixed deposits with licensed banks	11,476	9,738
Bank overdraft	--	(108)
	<u>26,625</u>	<u>15,996</u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 30 September 2011 and the accompanying explanatory notes attached to the interim financial statements.

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## **Notes to the condensed interim financial statements**

### **1. Basis of preparation**

#### **(a) Statement of compliance**

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and FRS 134, *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 September 2011.

### **2. Significant accounting policies**

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 September 2011.

### **3. Property, plant and equipment**

The valuations of land and buildings have been brought forward, without amendment from the previous annual report.

### **4. Changes in composition of the Group**

There are no changes in the composition of the Group for the current quarter.

### **5. Dividends**

There is no dividend paid for the current quarter under review.

### **6. Seasonal or cyclical factors**

The Group recorded lower revenue of RM20.87 million for the current quarter as compared to the previous quarter of RM26.13 million mainly due to cyclical low period.

## 7. Segment information

Segment information is presented in respect of the Group's geographical segments. Inter-segment pricing is determined based on a negotiated basis.

	Revenue 3 months ended 31 December		Profit/(Loss) before tax 3 months ended 31 December	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Malaysia	8,858	7,156	677	(227)
Singapore	4,808	4,987	51	100
People's Republic of China	15,221	8,930	(413)	(591)
	<u>28,887</u>	<u>21,073</u>	<u>315</u>	<u>(718)</u>
Inter-segment elimination	<u>(8,017)</u>	<u>(7,299)</u>	<u>327</u>	<u>(47)</u>
	<u>20,870</u>	<u>13,774</u>		
Segment result			<u>642</u>	<u>(765)</u>
Finance costs			--	--
Interest income			<u>93</u>	<u>46</u>
			<u>735</u>	<u>(719)</u>

## 8. Changes in contingent liabilities and contingent assets

There were no contingent liabilities and contingent assets since the last annual balance sheet date.

## 9. Debt and equity securities

There were no issuance, cancellations, repurchase, resale and repayments of debt and equity securities for the period under review.

## 10. Related parties

### Key management personnel compensation

	31.12.2011 RM'000	31.12.2010 RM'000
Directors:		
- Fees	19	19
- Remuneration	<u>505</u>	<u>471</u>
Total short-term employee benefits	524	490
Other key management personnel:		
- Short term employee benefits	199	173

**10. Related parties (continued)****Transactions with related parties of the Group**

	<b>31.12.2011</b> <b>RM'000</b>	<b>31.12.2010</b> <b>RM'000</b>
<i>Companies in which certain directors have interests</i>		
Sales	1,343	1,050
Purchases	--	--
Rental payable	--	--
	<hr/> <hr/>	<hr/> <hr/>
	<b>31.12.2011</b> <b>RM'000</b>	<b>31.12.2010</b> <b>RM'000</b>
Remuneration paid to staff who are close family member of certain Directors	128	106
	<hr/> <hr/>	<hr/> <hr/>

**11. Events subsequent to the balance sheet date**

There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period under review.

**12. Audit qualification**

The audit report of the Group and of the Company for the preceding annual financial statements was not subject to any audit qualification.

**13. Unusual items affecting the assets, liabilities, equity, net income or cash flows**

There are no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter-to-date.

**14. Material changes in estimates**

Not applicable.



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**Interim Financial Report**  
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Additional information required by the  
Bursa Malaysia Securities Berhad's Listing Requirements

**PNE PCB Berhad**  
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**Additional information required  
by the Bursa Malaysia's Listing Requirements**

**1. Review of performance**

The Group recorded profit before taxation of RM735 thousand in the current quarter as compared to loss before taxation of RM719 thousand in the corresponding previous quarter. Performance improved mainly due to productivity efficiency which has brought down cost of sales in the current quarter.

**2. Variation of results against preceding quarter**

For the quarter under review, the Group recorded a profit before taxation of RM735 thousand as compared to profit before taxation of RM946 thousand in the previous quarter. The reason is due to lower revenue generated in the current quarter as a result of cyclical low period.

**3. Current year prospects**

The demand for electrical and electronic products seems to be unstable globally. The Group believes the prospects for the coming year are challenging.

**4. Profit forecast**

Not applicable.

**5. Tax expense**

	3 months ended 31 December		3 months ended 31 December	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Tax expense				
Malaysian Tax				
-Current year	<u>1</u>	<u>--</u>	<u>1</u>	<u>--</u>

**6. Unquoted investments and properties**

There is no profit on sale of unquoted investments as there was no disposal of unquoted investments during the period under review.

**7. Quoted investments**

	3 months ended 31 December		3 months ended 31 December	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Purchase of quoted securities	--	--	--	--
	3 months ended 31 December		3 months ended 31 December	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Disposal of quoted securities				
Sales proceeds	--	--	--	--
Cost of investments	--	--	--	--
Gain on disposal	--	--	--	--

Investment in quoted securities as at 31 December 2011:

	Cost RM'000	Book Value RM'000	Market Value RM'000
Total quoted investments	1,884	1,307	1,307

**8. Status of corporate proposal announced**

There were no corporate proposal announced nor were there any corporate proposal not completed as at the date of this quarterly report.

**9. Borrowing and debt securities**

There are neither borrowings nor debt securities at the date of this quarterly report.

**10. Off balance sheet financial instruments**

There are no financial instruments with off balance sheet risk at the date of this quarterly report.

**11. Changes in material litigation**

The Company has filed a Proof of Debt to claim the debt of RM1,907,701.72 from Asia Systems Impac (M) Sdn Bhd (under liquidation).

The Company is still waiting for the Department of Insolvency to call for a Creditors' meeting.

**12. Dividends**

No dividend has been paid or declared by the Company since the end of the previous financial year.

**13. Earnings/(loss) per ordinary share**

(a) Basic earnings per share

For the purpose of calculating basic earnings per share:-

(i) The amount used as the numerator is the net profit after tax attributable to ordinary shareholders of RM734 thousand for the current quarter and 3 months ended 31 December 2011.

(ii) The weighted average number of ordinary shares used as the denominator for the current quarter and 3 months ended 31 December 2011 is 65,748,500.

(b) Diluted earnings per share.

Not applicable.

**14. Capital commitments**

There is no capital commitments contracted which is not provided for as at the date of this quarterly report.

**15. Realised and Unrealised Profits**

The breakdown of retained profits into realized and unrealized profits as at the reporting period as follows:-

	<b>31.12.2011</b>	<b>30.09.2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained profits / (accumulated losses)		
- Realised	(13,518)	(13,919)
- Unrealised	51	137
	<u>(13,467)</u>	<u>(13,782)</u>
Less: Consolidation adjustments	<u>(1,310)</u>	<u>(1,729)</u>
Total retained profits / (accumulated losses)	<u><u>(14,777)</u></u>	<u><u>(15,511)</u></u>