

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

Interim Financial Report (Announcement)
30 June 2013

PNE PCB Berhad

(Company No. 168098-V)
(Incorporated in Malaysia)

Condensed consolidated statement of financial position As at 30 June 2013

		30.06.2013	30.09.2012
		RM'000	RM'000
Assets			
Property, plant and equipment	3	20,870	22,508
Investments in quoted shares		747	1,424
Total non-current assets		<u>21,617</u>	<u>23,932</u>
Inventories		9,142	8,361
Trade and other receivables		16,982	15,591
Tax recoverable		20	14
Cash and cash equivalents		22,615	25,077
Total current assets		<u>48,759</u>	<u>49,043</u>
Total assets		<u><u>70,376</u></u>	<u><u>72,975</u></u>
Equity			
Share capital		65,749	65,749
Reserves		(11,548)	(9,529)
Total equity attributable to shareholders of the Company/Total equity		<u>54,201</u>	<u>56,220</u>
Liabilities			
Trade and other payables		16,175	16,755
Total current liabilities		<u>16,175</u>	<u>16,755</u>
Total liabilities		<u>16,175</u>	<u>16,755</u>
Total equity and liabilities		<u><u>70,376</u></u>	<u><u>72,975</u></u>
Net assets per share of RM1.00 each (RM)		<u><u>0.82</u></u>	<u><u>0.86</u></u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 September 2012 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 30 June 2013

	Individual 3 months ended 30 June		Cumulative 9 months ended 30 June	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Revenue	18,260	15,484	44,730	52,312
Cost of sales	(15,422)	(13,151)	(37,823)	(42,977)
Gross profit	2,838	2,333	6,907	9,335
Operating expenses	(3,230)	(3,385)	(9,805)	(8,830)
Operating profit	(392)	(1,052)	(2,898)	505
Finance costs	--	--	--	--
Interest income	92	120	282	340
(Loss)/profit before tax	(300)	(932)	(2,616)	845
Tax expense	(68)	(26)	(83)	(30)
(Loss)/profit after tax	(368)	(958)	(2,699)	815
Foreign currency translation differences for foreign subsidiaries	1,008	1,647	1,338	342
Total comprehensive (expenses) / income for the period	640	689	(1,361)	1,157
Basic earnings per ordinary share (sen)	(0.56)	(1.46)	(4.11)	1.24

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 September 2012 and the accompanying explanatory notes attached to the interim financial statements.

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Condensed consolidated statement of changes in equity For the period ended 30 June 2013

	Share capital RM'000	Non- Distributable Reserves RM'000	<i>Distributable</i> Retained earnings/ (Accumulated losses) RM'000	Total equity RM'000
<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	--	342	--	342
Profit for the period	--	--	815	815
Total comprehensive income for the period	--	342	815	1,157
<i>At 30 June 2012</i>	<u>65,749</u>	<u>5,791</u>	<u>(14,696)</u>	<u>56,844</u>
<i>At 1 October 2012</i>	65,749	4,307	(13,836)	56,220
<i>Net gains recognised directly in equity</i>				
Exchange fluctuation on translation of the financial statements of foreign subsidiaries	--	1,338	--	1,338
Loss for the period	--	--	(2,699)	(2,699)
Dividend – Final	--	--	(658)	(658)
Total comprehensive income / (expenses) for the period	--	1,338	(3,357)	(2,019)
<i>At 30 June 2013</i>	<u>65,749</u>	<u>5,645</u>	<u>(17,193)</u>	<u>54,201</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 2012 and the accompanying explanatory notes attached to the interim financial statements.

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Condensed consolidated statement of cash flows For the period ended 30 June 2013

	9 months ended 30 June	
	2013 RM'000	2012 RM'000
Cash flows from operating activities		
(Loss) / profit before tax	(2,616)	845
Adjustments for:		
Depreciation	2,989	2,904
Property, plant and equipment written off	--	4
Gain on disposal of property, plant and equipment	(30)	(12)
Reversal of impairment losses on property, plant and equipment	(397)	(254)
Allowance / (Reversal of) for diminution in value of quoted shares	248	--
Unrealised loss on foreign exchange	657	663
Gross dividend of quoted shares in Malaysia	(35)	(27)
Gain on disposal of quoted shares	(427)	--
Interest income	(282)	(340)
Operating profit before changes in working capital	107	3,783
Change in inventories	(781)	2,103
Change in trade and other receivables	(1,391)	11,088
Change in trade and other payables	(1,237)	(11,851)
Cash generated from operations	(3,302)	5,123
Tax paid	(82)	(26)
Interest received	282	340
Net cash from operating activities	(3,102)	5,437
Cash flows from/(used in) investing activities		
Acquisition of property, plant and equipment	(680)	(976)
Dividend received from quoted shares (net)	28	23
Proceed from disposal of property, plant and equipment	30	12
Proceed from disposal of quoted shares	857	--
Net cash from/(used in) investing activities	235	(941)
Net cash used in financing activity		
Dividend paid to shareholders	(658)	--
Exchange differences on translation of the financial statements of foreign subsidiaries	802	273
Net (decrease)/increase in cash and cash equivalents	(2,723)	4,769
Cash and cash equivalents at beginning of period	25,077	19,152
Foreign exchange differences on opening balance	261	69
Cash and cash equivalents at end of year	22,615	23,990
Cash and cash equivalents comprises:		
Cash and bank balances	10,571	10,220
Fixed deposits with licensed banks	12,044	13,770
	22,615	23,990

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 30 September 2012 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 MFRS 134, *Interim Financial Reporting* in Malaysia and with IAS 34, *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 2012.

These are the Group's condensed consolidated interim financial statements for the period covered by the Group's first MFRS framework annual financial statements and MFRS 1, *First-time Adoption of Malaysian Financial Reporting standards* had been applied. The adoption of MFRS 1 has no significant impact on the financial statements.

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 2012.

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

A final tax exempt dividend of 1 sen per ordinary share was paid in the current quarter.

6. Seasonal or cyclical factors

The Group recorded higher revenue of RM18.26 million for the current quarter as compared to the previous quarter of RM13.79 million due to higher sales activity in the current quarter.

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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 9 months ended 30 June		Profit/(Loss) before tax 9 months ended 30 June	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Malaysia	15,028	23,919	(3,280)	226
Singapore	10,836	15,400	(261)	121
People's Republic of China	35,597	35,914	626	213
	61,461	75,233	(2,915)	560
Inter-segment elimination	(16,731)	(22,921)	17	(55)
	<u>44,730</u>	<u>52,312</u>		
Segment result			(2,898)	505
Finance costs			--	--
Interest income			282	340
			<u>(2,616)</u>	<u>845</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

	30.06.2013 RM'000	30.06.2012 RM'000
Directors:		
- Fees	56	56
- Remuneration	2,420	1,986
Total short-term employee benefits	2,476	2,042
Other key management personnel:		
- Short term employee benefits	685	563

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10. Related parties (continued)

Transactions with related parties of the Group

	30.06.2013 RM'000	30.06.2012 RM'000
<i>Companies in which certain directors have interests</i>		
Sales	3,873	4,159
Purchases	--	--
Rental payable	--	--
	<u>30.06.2013</u> RM'000	<u>30.06.2012</u> RM'000
Remuneration paid to staff who are close family member of certain Directors	<u>452</u>	<u>371</u>

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 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
30 June 2013

Additional information required by the
Bursa Malaysia Securities Berhad's Listing Requirements

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Additional information required by the Bursa Malaysia's Listing Requirements

1. Review of performance

For the current quarter, the Group recorded revenue of RM18.26 million and loss before tax of RM0.30 million as compared to revenue of RM15.48 million and loss before tax of RM0.93 million in the corresponding previous quarter mainly due to more orders received from customers generated higher revenue, hence improved result for the current quarter.

2. Variation of results against preceding quarter

For the quarter under review, the Group recorded a loss before tax of RM0.30 million as compared to loss before tax of RM1.84 million in the previous quarter, mainly due to higher revenue generated in the current quarter and various cost savings measures taken to lower expenses incurred improving result for the current quarter.

3. Current year prospects

With current uncertainty of the European financial crisis, the Board is prudent and taking steps to mitigate and overcome the aforesaid challenges.

4. Profit forecast

Not applicable.

5. Tax expense

	3 months ended		9 months ended	
	30 June		30 June	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Tax expense				
Malaysian Tax				
-Current year	68	26	83	30

6. 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.

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7. Borrowing and debt securities

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

8. Changes in material litigation

There is no material litigation as at the date of this quarterly report.

9. Dividends

A first and final tax exempt dividend of 1 sen per ordinary share of RM1.00 each for the financial year ended 30 September 2012 was paid on 15 April 2013 to Depositors whose names appear in the Record of Depositors at the close of business on 18 March 2013.

10. 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 loss after tax of RM0.37 million and RM2.70 million attributable to ordinary shareholders for the current quarter and 9 months ended 30 June 2013.

(ii) The weighted average number of ordinary shares used as the denominator for the current quarter and financial year to date is 65,748,500.

(b) Diluted earnings per share.

Not applicable.

11. Capital commitments

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

12. Realised and unrealised profits

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

	30.06.2013	30.09.2012
	RM'000	RM'000
Total retained profits / (accumulated losses)		
- Realised	(15,564)	(12,440)
- Unrealised	(657)	(125)
	<u>(16,221)</u>	<u>(12,565)</u>
Less: Consolidation adjustments	(972)	(1,271)
Total retained profits / (accumulated losses)	<u>(17,193)</u>	<u>(13,836)</u>

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13. Notes to the condensed consolidated statement of comprehensive income

Profit before tax is arrived after charging / (crediting) the following items:

	3 months Ended 30.06.2013 RM'000	Year To Date 30.06.2013 RM'000
Interest income	(92)	(282)
Other income including investment income	(29)	(480)
Interest expense	--	--
Depreciation and amortisation	1,048	2,989
Provision for and write off of receivables	--	--
Provision for and write off of inventories	--	--
Gain on disposal of quoted/unquoted investment or properties	--	(427)
Impairment of assets	--	--
Foreign exchange (gain) / loss		
- Realised	(26)	(3)
- Unrealised	418	657
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