

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

**Interim Financial Report (Announcement)**  
**30 September 2013**

# PNE PCB Berhad

(Company No. 168098-V)

(Incorporated in Malaysia)

## Condensed consolidated statement of financial position As at 30 September 2013

		<b>30.09.2013</b>	<b>30.09.2012</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>			
Property, plant and equipment	3	27,942	29,286
Investments in quoted shares		860	1,424
<b>Total non-current assets</b>		<u>28,802</u>	<u>30,710</u>
Inventories		7,445	8,361
Trade and other receivables		14,721	15,591
Tax recoverable		40	14
Cash and cash equivalents		25,462	25,077
<b>Total current assets</b>		<u>47,668</u>	<u>49,043</u>
<b>Total assets</b>		<u><u>76,470</u></u>	<u><u>79,753</u></u>
<b>Equity</b>			
Share capital		65,749	65,749
Reserves		(3,904)	(2,752)
<b>Total equity attributable to shareholders of the Company/Total equity</b>		<u>61,845</u>	<u>62,997</u>
<b>Liabilities</b>			
Trade and other payables		14,625	16,756
<b>Total current liabilities</b>		<u>14,625</u>	<u>16,756</u>
<b>Total liabilities</b>		<u>14,625</u>	<u>16,756</u>
<b>Total equity and liabilities</b>		<u><u>76,470</u></u>	<u><u>79,753</u></u>
<b>Net assets per share of RM1.00 each (RM)</b>		<u><u>0.94</u></u>	<u><u>0.96</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 year ended 30 September 2013

	Individual 3 months ended 30 September		Cumulative 12 months ended 30 September	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
<b>Revenue</b>	17,726	19,832	62,456	72,144
Cost of sales	(14,089)	(17,061)	(51,912)	(60,038)
<b>Gross profit</b>	3,637	2,771	10,544	12,106
Operating expenses	(3,550)	(2,188)	(13,355)	(11,018)
<b>Operating profit</b>	87	583	(2,811)	1,088
Finance costs	--	--	--	--
Interest income	74	44	356	384
<b>Profit / (loss) before tax</b>	161	627	(2,455)	1,472
Tax expense	23	(36)	(60)	(66)
<b>Profit / (loss) after tax</b>	184	591	(2,515)	1,406
Foreign currency translation differences for foreign subsidiaries	682	(1,485)	2,020	(1,143)
<b>Total comprehensive income / (expenses) for the year</b>	866	(894)	(495)	263
Basic earnings per ordinary share (sen)	0.28	0.90	(3.83)	2.14

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.

# PNE PCB Berhad

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## Condensed consolidated statement of changes in equity For the year ended 30 September 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	773	(3,788)	62,734
<i>Net gains recognised directly in equity</i>				
Exchange fluctuation on translation of the financial statements of foreign subsidiaries	--	(1,143)	--	(1,143)
Profit for the year	--	--	1,406	1,406
Total comprehensive (expenses) / income for the year	--	(1,143)	1,406	263
<i>At 30 September 2012</i>	<u>65,749</u>	<u>(370)</u>	<u>(2,382)</u>	<u>62,997</u>
<i>At 1 October 2012</i>	65,749	(370)	(2,382)	62,997
<i>Net gains recognised directly in equity</i>				
Exchange fluctuation on translation of the financial statements of foreign subsidiaries	--	2,020	--	2,020
Loss for the year	--	--	(2,515)	(2,515)
Dividend – Final	--	--	(657)	(657)
Total comprehensive income / (expenses) for the period	--	2,020	(3,172)	(1,152)
<i>At 30 September 2013</i>	<u>65,749</u>	<u>1,650</u>	<u>(5,554)</u>	<u>61,845</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.

# PNE PCB Berhad

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## Condensed consolidated statement of cash flows For the year ended 30 September 2013

	12 months ended 30 September	
	2013 RM'000	2012 RM'000
<b>Cash flows from operating activities</b>		
(Loss) / profit before tax	(2,455)	1,472
Adjustments for:		
Depreciation	3,400	3,719
Gain on disposal of property, plant and equipment	(36)	(9)
Reversal of impairment losses on property, plant and equipment	--	--
Allowance / (Reversal of) for diminution in value of quoted shares	188	(268)
Unrealised loss on foreign exchange	1,100	125
Gross dividend of quoted shares in Malaysia	(42)	(47)
Gain on disposal of quoted shares	(427)	--
Interest income	(356)	(384)
<b>Operating profit before changes in working capital</b>	1,372	4,608
Change in inventories	916	4,279
Change in trade and other receivables	870	8,997
Change in trade and other payables	(3,231)	(10,749)
<b>Cash generated from operations</b>	(73)	7,135
Tax paid	(77)	(50)
Interest received	356	384
<b>Net cash from operating activities</b>	206	7,469
<b>Cash flows from/(used in) investing activities</b>		
Purchase of property, plant and equipment	(1,639)	(723)
Dividend received from quoted shares (net)	33	37
Purchase of quoted shares	(52)	--
Proceed from disposal of property, plant and equipment	36	10
Proceed from disposal of quoted shares	856	--
<b>Net cash from/(used in) investing activities</b>	(766)	(676)
<b>Net cash used in financing activity</b>		
Dividend paid to shareholders	(657)	--
Exchange differences on translation of the financial statements of foreign subsidiaries	1,230	(748)
<b>Net (decrease)/increase in cash and cash equivalents</b>	13	6,045
<b>Cash and cash equivalents at beginning of period</b>	25,077	19,152
Foreign exchange differences on opening balance	372	(120)
<b>Cash and cash equivalents at end of year</b>	25,462	25,077
<b>Cash and cash equivalents comprises:</b>		
Cash and bank balances	13,671	11,718
Fixed deposits with licensed banks	11,791	13,359
	25,462	25,077

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. An explanation of how the transition to MFRSs has affected the reported financial position and financial performance of the Group is provided in note 15.

### 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 freehold land and factory building were revised based on an independent professional valuer's opinion with some necessary adjustment. The date of valuation is taken to be 1 October 2011. The adjusted amounts then become the deemed cost of the land and building arising from the adoption of MFRS.

### 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 RM17.73 million for the current quarter as compared to the previous quarter of RM18.26 million due to lesser 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 12 months ended 30 September		Profit/(Loss) before tax 12 months ended 30 September	
	2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Malaysia	19,421	33,312	(4,688)	667
Singapore	13,722	21,429	(401)	(622)
People's Republic of China	50,323	48,593	1,842	583
	83,466	103,334	(3,247)	628
Inter-segment elimination	(21,010)	(31,190)	436	460
	<u>62,456</u>	<u>72,144</u>		
Segment result			(2,811)	1,088
Finance costs			--	--
Interest income			356	384
			<u>(2,455)</u>	<u>1,472</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

	30.09.2013 RM'000	30.09.2012 RM'000
Directors:		
- Fees	61	75
- Remuneration	2,815	2,780
Total short-term employee benefits	2,876	2,855
Other key management personnel:		
- Short term employee benefits	880	775

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### 10. Related parties (continued)

#### Transactions with related parties of the Group

	30.09.2013 RM'000	30.09.2012 RM'000
<i>Companies in which certain directors have interests</i>		
Sales	5,909	6,371
Purchases	--	--
Rental payable	--	--
	<u>580</u>	<u>522</u>
	30.09.2013 RM'000	30.09.2012 RM'000
Remuneration paid to staff who are close family member of certain Directors	<u>580</u>	<u>522</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.

### 15. Explanation of transition to MFRSs

The group elected to apply the optional exemption to measure certain properties at fair value at the date of transition to MFRSs and use that fair value as deemed cost under MFRSs.

The aggregate fair value of these properties at 1 October 2011 for the Group was determined to be RM20,700,000 compared to the then carrying amount of RM13,652,259 under FRSs.



The impact arising from the changes is summarised as follows:-

	<b>1.10.2011</b> <b>RM</b>	<b>Group</b> <b>30.9.2012</b> <b>RM</b>
<b>Consolidated statement of Profit or loss and other Comprehensive income</b>		
Cost of goods sold		
- depreciation	<u>-</u>	<u>270,048</u>
Adjustment before tax	<u>-</u>	<u>270,048</u>
<b>Consolidated statement of financial position</b>		
Property, plant and equipment	<u>7,047,741</u>	<u>6,777,693</u>
Adjustment to retained earnings	<u>7,047,741</u>	<u>6,777,693</u>

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**30 September 2013**

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 revenue of RM62 million and loss before tax of RM2.5 million as compared to revenue of RM72 million and profit before tax of RM1.5 million in the corresponding previous financial year. In view of weak demand for electrical & electronic consumer's products from customers, lesser sales revenue was generated & affected the Group's performance for the current financial year.

### 2. Variation of results against preceding quarter

For the quarter under review, the Group recorded a profit before tax of RM0.2 million as compared to loss before tax of RM0.3 million in the previous quarter, mainly due to continuous cost saving 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		12 months ended	
	30 September		30 September	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Tax expense				
Malaysian Tax				
-Current year	<u>(23)</u>	<u>36</u>	<u>60</u>	<u>66</u>

### 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**

The Company paid a first & final tax exempt dividend of 1.0 sen per ordinary share totaling RM657,485 for the previous financial year ended 30 September 2012 on 15 April 2013.

The Directors did not propose any dividend for the current quarter and the current financial year.

### **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 profit after tax of RM0.18 million and net loss after tax of RM2.52 million attributable to ordinary shareholders for the current quarter and financial year to date respectively.

(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:-

	<b>30.09.2013</b>	<b>30.09.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained profits / (accumulated losses)		
- Realised	(15,344)	(12,710)
- Unrealised	9,468	10,443
	<u>(5,876)</u>	<u>(2,267)</u>
Less: Consolidation adjustments	322	(115)
Total retained profits / (accumulated losses)	<u><u>(5,554)</u></u>	<u><u>(2,382)</u></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:

	<b>3 months Ended 30.09.2013 RM'000</b>	<b>Year To Date 30.09.2013 RM'000</b>
Interest income	(74)	(356)
Other income including investment income	(97)	(577)
Interest expense	--	--
Depreciation and amortisation	411	3,400
Provision for and write off of receivables	--	--
Provision for and write off of inventories	(23)	(23)
Gain on disposal of quoted/unquoted investment or properties	--	(427)
Impairment of assets	--	--
Foreign exchange (gain) / loss		
- Realised	(110)	(113)
- Unrealised	443	1,100
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