PNE INDUSTRIES LTD

(Company registration no. 199905792R)

PNE INDUSTRIES LTD

Registration Number: 199905792R

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND HALF (“FY26H2”) AND FULL YEAR (“FY26”)
ENDED 30 SEPTEMBER 2026

TABLE OF CONTENTS

Item No.	Description	Page No.
A	Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	2
B	Condensed Interim Statements of Financial Position	3
C	Condensed Interim Statements of Changes in Equity	4
D	Condensed Interim Consolidated Statement of Cash Flows	5
E	Notes to the Condensed Interim Consolidated Financial Statements	6 – 12
F	Other Information Required by Listing Rule Appendix 7.2	13 – 16

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group			Group		
	FY26H2 $'000	**FY25H2 $'000**	**+ / (-) %**	**FY26 $'000**	**FY25 $'000**	**+ / (-) %**
Revenue	28,845	36,177	(20.3)	60,135	71,121	(15.4)
Cost of sales	(23,138)	(31,078)	(25.5)	(50,055)	(60,817)	(17.7)
Gross profit	5,707	5,099	11.9	10,080	10,304	(2.2)
Other operating income	678	716	(5.3)	1,222	1,768	(30.9)
Distribution costs	(453)	(657)	(31.1)	(953)	(1,375)	(30.7)
Administrative expenses	(5,118)	(5,036)	1.6	(10,063)	(9,836)	2.3
Other operating expenses	(126)	(130)	(3.1)	(239)	(156)	53.2
Share of results of associate	36	97	(62.9)	36	97	(62.9)
Finance costs	(31)	(25)	24.0	(47)	(58)	(19.0)
Profit before tax	693	64	982.8	36	744	(95.2)
Income tax expense	(624)	(2)	31,100	(635)	(221)	187.3
Profit/(Loss) after tax	69	62	11.3	(599)	523	n.m.
Other comprehensive (loss)/income:						
Items that will not be reclassified subsequently to profit or loss:						
Net fair value (loss)/gain on financial assets at FVTOCI	(160)	90	n.m.	(107)	78	n.m.
Items that may be reclassified subsequently to profit or loss:						
Exchange difference arising on translation of foreign operations	(438)	(505)	(13.3)	1,289	(716)	n.m.
Other comprehensive (loss)/income, net of tax	(598)	(415)	44.1	1,182	(638)	n.m.
Total comprehensive (loss)/ income	(529)	(353)	49.9	583	(115)	n.m.
Earnings per share (cents)						
Basic and diluted	0.1	0.1	-	(0.7)	0.6	n.m.

n.m. denotes not meaningful

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Notes	Group		Company	
		30-09-26 $'000	30-09-25 $'000	30-09-26 $'000	30-09-25 $'000
ASSETS					
Current assets					
Cash and bank balances		23,454	17,682	16,897	14,185
Trade receivables		18,638	23,906	-	97
Other receivables		973	879	70	4,023
Inventories		23,826	28,321	-	-
Income tax recoverable		-	230	-	-
Total current assets		66,891	71,018	16,967	18,305
Non-current assets					
Property, plant and equipment	9	5,008	5,025	-	-
Right-of-use assets		2,519	1,519	-	-
Investments in subsidiaries		-	-	21,662	21,662
Investment in associate		305	522	-	-
Financial assets at fair value through other comprehensive income	10	1,312	1,419	331	170
Deferred tax assets		556	717	-	-
Trade receivable		1,609	-	-	-
Total non-current assets		11,309	9,202	21,993	21,832
Total assets		**78,200**	**80,220**	**38,960**	**40,137**
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables		8,870	10,443	15	7
Other payables		2,556	2,509	307	352
Lease liabilities		449	725	-	-
Income tax payable		103	40	-	-
Total current liabilities		11,978	13,717	322	359
Non-current liabilities					
Lease liabilities		1,414	180	-	-
Total non-current liabilities		1,414	180	-	-
Capital and reserves					
Share capital	12	36,991	36,991	36,991	36,991
Currency translation reserve		(1,608)	(2,897)	-	-
Capital reserve		960	960	-	-
Investment revaluation reserve		241	348	239	78
Accumulated profits		28,224	30,921	1,408	2,709
Equity attributable to equity holders of the Company, representing total equity		64,808	66,323	38,638	39,778
Total liabilities and equity		**78,200**	**80,220**	**38,960**	**40,137**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	Share capital $'000	Currency translation reserve $'000	Capital reserve $'000	Investment revaluation reserve $'000	Accumulated profits $'000	Total $'000
GROUP						
Balance at 1 October 2024	36,991	(2,181)	938	270	32,938	68,956
Profit for the year	-	-	-	-	523	523
Other comprehensive income/(loss) for the year	-	(716)	-	78	-	(638)
Total comprehensive loss for the year	-	(716)	-	78	523	(115)
Dividends	-	-	-	-	(2,518)	(2,518)
Transfer from accumulated profit to capital reserve			22		(22)	-
Transactions with owners, recognised directly in equity	-	-	22	-	(2,540)	(2,518)
Balance at 30 September 2025	36,991	(2,897)	960	348	30,921	66,323
Loss for the year	-	-	-	-	(599)	(599)
Other comprehensive income/(loss) for the year	-	1,289	-	(107)	-	1,182
Total comprehensive income for the year	-	1,289	-	(107)	(599)	583
Dividends, representing transaction with owners, recognised directly in equity	-	-	-	-	(2,098)	(2,098)
Balance at 30 September 2026	**36,991**	**(1,608)**	**960**	**241**	**28,224**	**64,808**

	Share capital $'000	Investment revaluation reserve $'000	Accumulated profits $'000	Total $'000
COMPANY				
Balance at 1 October 2024	36,991	64	5,328	42,383
Loss for the year	-	-	(101)	(101)
Other comprehensive income for the year	-	14	-	14
Total comprehensive loss for the year	-	14	(101)	(87)
Dividends, representing transaction with owners, recognised directly in equity	-	-	(2,518)	(2,518)
Balance at 30 September 2025	36,991	78	2,709	39,778
Profit for the year	-	-	797	797
Other comprehensive income for the year	-	161	-	161
Total comprehensive income for the year	-	161	797	958
Dividends, representing transaction with owners, recognised directly in equity	-	-	(2,098)	(2,098)
Balance at 30 September 2026	**36,991**	**239**	**1,408**	**38,638**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
Year ended:	**30-09-26**	**30-09-25**
	$'000	**$'000**
Operating activities		
Profit before tax	36	744
Adjustments for:		
Share of results of associate	(36)	(97)
Depreciation of property, plant and equipment	703	918
Depreciation of right-of-use assets	779	732
Reversal of impairment loss on property, plant and equipment	(2)	(2)
Interest income	(656)	(626)
Dividend income	(11)	(10)
Finance costs	47	58
(Gain)/Loss on disposal of property, plant and equipment	(9)	39
Property, plant and equipment written off	73	4
Loss allowance recognised on trade receivables (net)	114	67
(Reversal of)/Loss allowance for inventories (net)	(2)	45
Operating cash flows before movements in working capital	1,036	1,872
Trade receivables	3,739	(2,223)
Other receivables	(19)	416
Inventories	5,560	(3,523)
Trade payables	(1,774)	28
Other payables	(31)	313
Cash generated from/(used in) operations	8,511	(3,117)
Interest received	158	626
Interest paid	-	(58)
Income tax paid	(183)	(500)
Net cash generated from/(used in) operating activities	8,486	(3,049)
Investing activities		
Dividend received from associate	251	63
Dividend received from equity instruments held at FVTOCI	11	10
Interest received	417	-
Proceeds from disposal of property, plant and equipment	9	25
Purchase of property, plant and equipment	(524)	(967)
Net cash generated from/(used in) investing activities	164	(869)
Financing activities		
Dividends paid	(2,098)	(2,518)
Repayment of lease liabilities	(797)	(796)
Interest paid	(47)	-
Net cash used in financing activities	(2,942)	(3,314)
Net increase/(decrease) in cash and cash equivalents	5,708	(7,232)
Cash and cash equivalents at beginning of the year	17,530	24,802
Net effect of foreign exchange rate changes	58	(40)
Cash and cash equivalents at end of the year	**23,296**	**17,530**
Cash and cash equivalents represent:		
Cash and bank balances	6,001	5,522
Fixed deposits	17,453	12,160
	23,454	17,682
Less: Fixed deposits and bank balances pledged	(158)	(152)
	23,296	**17,530**

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

PNE Industries Ltd (the "Company") is incorporated and domiciled in Singapore. Its shares are listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). Its principal place of business and registered office is at 996 Bendemeer Road, #07-06, Singapore 339944. The condensed interim consolidated financial statements for the financial year ended 30 September 2026 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the significant subsidiaries are those relating to manufacturing, dealing and trading of electrical and electronic products and appliances.

2. BASIS OF PREPARATION

The condensed interim financial statements for the financial year ended 30 September 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 30 September 2025.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.

The condensed interim financial statements are presented in Singapore Dollars ("$"), the functional currency of the Company. All financial information presented in Singapore Dollars has been rounded to the nearest thousand ("$'000"), unless otherwise stated.

2.1 New and Amended Standards Adopted by the Group

The Group has adopted all the applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and SFRS(I) Interpretations that are mandatory for the accounting periods beginning on or after 1 October 2025. The adoption of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Group for the current and prior financial year reported on.

2.2 Use of Judgements and Estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 September 2025. Details can be found in Note 3 to annual financial statements for the year ended 30 September 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revisions affect only that period, or in the period of the revisions and future periods, if the revisions affect both current and future periods.

3. SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

4. SEGMENT AND REVENUE INFORMATION

4.1 Reportable Segments

The Group determines its operating segments based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

The Group is organised into business units based on their products on which information is prepared and reportable to the Group's chief operating decision maker for the purposes of resources allocation and assessment of performance.

The Group's reportable segments are therefore contract manufacturing, trading and others, as described below:

Contract Manufacturing - The products sold include electronic controllers and electronic and electrical products.
Trading - The products sold include emergency lighting equipment and related products.
Others - Refer to others which do not fall into the above segments.

Information regarding the Group's reporting segments is presented below.

	Revenue		Profit	
	FY26H2	FY25H2	FY26H2	FY25H2
Group	$'000	$'000	$'000	$'000
Contract Manufacturing	24,328	31,705	714	(574)
Trading	4,506	4,462	215	159
Others	11	10	(516)	148
Total	28,845	36,177	413	(267)
Interest income from fixed deposits			275	259
Share of results of associate			36	97
Finance costs			(31)	(25)
Profit before tax			693	64
Income tax expense			(624)	(2)
Profit for the period			69	62

	Revenue		(Loss)/Profit	
	FY26	FY25	FY26	FY25
Group	$'000	$'000	$'000	$'000
Contract Manufacturing	51,114	62,893	(384)	86
Trading	9,010	8,218	318	372
Others	11	10	(355)	(379)
Total	60,135	71,121	(421)	79
Interest income from fixed deposits			468	626
Share of results of associate			36	97
Finance costs			(47)	(58)
Profit before tax			36	744
Income tax expense			(635)	(221)
(Loss)/Profit for the year			(599)	523

4. SEGMENT AND REVENUE INFORMATION (CONT'D)

4.1 Reportable Segments (Cont'd)

	Group	
	FY26	**FY25**
	$'000	**$'000**
Segment assets		
Contract manufacturing	48,467	55,320
Trading	4,039	4,100
Others	372	752
Total segment assets	52,878	60,172
Unallocated	25,322	20,048
Consolidated assets	78,200	80,220
Segment liabilities		
Contract manufacturing	12,260	12,450
Trading	760	1,088
Others	269	319
Total segment liabilities	13,289	13,857
Unallocated	103	40
Consolidated liabilities	13,392	13,897

4.2 Disaggregation of Revenue

The Group derives its revenue from the transfer of goods at a point in time in the following major product lines.

Group	**FY26H2** **$'000**	**FY25H2** **$'000**	**FY26** **$'000**	**FY25** **$'000**
Contract manufacturing	24,328	31,705	51,114	62,893
Trading	4,506	4,462	9,010	8,218
Others	11	10	11	10
	28,845	36,177	60,135	71,121

4.3 Geographical Information

The Group's activities are mainly located in Europe, Malaysia, Singapore and the People's Republic of China.

	Revenue				**Non-current assets**	
	FY26H2	**FY25H2**	**FY26**	**FY25**	**30-09-26**	**30-09-25**
Group	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Romania	8,396	14,328	18,355	27,803	-	-
Netherlands	831	1,967	2,323	5,569	305	522
Europe (excluding Romania and Netherlands)	1,252	1,658	1,885	5,373	-	-
People's Republic of China	7,522	9,590	16,672	16,525	2,058	714
Malaysia	3,408	3,289	6,750	6,137	5,293	5,404
Singapore	6,039	3,839	11,558	6,611	176	426
Others	1,397	1,506	2,592	3,103	-	-
	28,845	36,177	60,135	71,121	7,832	7,066

5. PROFIT BEFORE TAX

5.1 Significant Items

Group	FY26H2 $'000	FY25H2 $'000	FY26 $'000	FY25 $'000
Adjustment for (under)/over provision of tax in respect of prior years	(186)	90	(137)	90
Depreciation of property, plant and equipment	(303)	(481)	(703)	(918)
Depreciation of right-of-use assets	(412)	(363)	(779)	(732)
Foreign exchange gain/(loss), net	84	41	(5)	433
Gain/(Loss) on disposal of property, plant and equipment	9	(43)	9	(39)
Loss allowance on trade receivables (net)	(114)	(67)	(114)	(67)
Other income - interest income	463	259	656	626
Other income - others	202	417	553	706
Property, plant and equipment written off	(73)	(4)	(73)	(4)
(Reversal of)/Loss allowance for inventories (net)	(4)	(51)	2	(45)
Reversal of impairment on property, plant and equipment	2	2	2	2

5.2 Significant Related Party Transactions

During the year, subsidiaries of the Group entered into the following transactions with a related party:

Group	FY26H2 $'000	FY25H2 $'000	FY26 $'000	FY25 $'000
Transactions with associate:				
- Dividend income	-	63	251	63
- Commission expense	342	520	706	1,037

6. INCOME TAX EXPENSE

Group	FY26H2 $'000	FY25H2 $'000	FY26 $'000	FY25 $'000
Current tax:				
Singapore	(7)	-	5	-
Foreign	346	293	394	512
Deferred tax	99	(201)	99	(201)
Under (Over) provision in prior years:				
Current tax	131	26	82	26
Deferred tax	55	(116)	55	(116)
	624	2	635	221

7. EARNINGS PER SHARE

	FY26H2	FY25H2	FY26	FY25
Profit per ordinary share of the Group after deducting any provision for preference dividends:				
(a) Based on the weighted average number of ordinary shares on issue	0.1 cents	0.1 cents	(0.7 cents)	0.6 cents
Number of ordinary shares	83,916,757	83,916,757	83,916,757	83,916,757
(b) On a fully diluted basis	0.1 cents	0.1 cents	(0.7 cents)	0.6 cents
Adjusted number of ordinary shares	83,916,757	83,916,757	83,916,757	83,916,757

8. NET ASSET VALUE

	Group	Company
Net asset value per ordinary share based on issued share capital as at the end of the:		
(a) Current year reported on (30 September 2026)	77.2 cents	46.0 cents
(b) Immediately preceding financial year (30 September 2025)	79.0 cents	47.4 cents

9. PROPERTY, PLANT AND EQUIPMENT

During the year ended 30 September 2026, the Group acquired assets with cost amounting to $524,000 (FY25: $967,000) and wrote off assets with net book value amounting to $73,000 (FY25: $4,000).

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group		Company	
	30-09-26 $'000	30-09-25 $'000	30-09-26 $'000	30-09-25 $'000
Investments in equity instruments designated at FVTOCI:				
Quoted equity shares	331	170	331	170
Unquoted equity shares	981	1,249	-	-
	1,312	1,419	331	170

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, management has elected to designate these investments in equity instruments as at FVTOCI as management believes that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
(b) Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
(c) Inputs for the assets or liability which are not based on observable market data (unobservable inputs) (Level 3).

The following table presented the assets measured at fair value:

30-09-26	Level 1	Level 2	Level 3	Total
Financial assets, at FVTOCI	**$'000**	**$'000**	**$'000**	**$'000**
- Quoted equity shares	331	-	-	331
- Unquoted equity shares	-	-	981	981
	331	-	981	1,312
30-09-25				
Financial assets, at FVTOCI				
- Quoted equity shares	170	-	-	170
- Unquoted equity shares	-	-	1,249	1,249
	170	-	1,249	1,419

11. BANK BORROWINGS AND DEBT SECURITIES

(a) Amount repayable in one year or less, or on demand

As at 30 September 2026		As at 30 September 2025	
Secured $'000	Unsecured $'000	Secured $'000	Unsecured $'000
Nil	Nil	Nil	Nil

(b) Amount repayable after one year

As at 30 September 2026		As at 30 September 2025	
Secured $'000	Unsecured $'000	Secured $'000	Unsecured $'000
Nil	Nil	Nil	Nil

(c) Details of any collateral

Approximately $158,000 (FY25: $152,000) of the Group's fixed deposits is pledged to a bank in return for bank guarantees issued to third parties.

12. SHARE CAPITAL

	Group and Company			
	30-09-26	**30-09-25**	**30-09-26**	**30-09-25**
	'000	**'000**	**$'000**	**$'000**
	Number of ordinary shares			
Issued and paid-up capital:				
At the beginning and end of year	83,917	83,917	36,991	36,991

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

There were no outstanding convertibles, treasury shares, nor subsidiary holdings as at the end of the current and previous financial year.

There were no sales, transfers, cancellation and/or use of treasury shares or subsidiary holdings as at the end of the current financial year reported on.

On 22 January 2026, the shareholders of the Company approved the proposed adoption of the PNE Employee Share Option Scheme 2026 as well as the PNE Performance Share Plan 2026 during the extraordinary general meeting held on that day. No grants nor awards have been made under the respective schemes to-date as yet.

F. OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. REVIEW

(a) Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditors.

(b) Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable.

(c) Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

i. Updates on the efforts taken to resolve each outstanding audit issue.

ii. Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

2. REVIEW OF PERFORMANCE OF THE GROUP

Statements of Comprehensive Income

Second half year ended 30 September 2026

For second half year ended 30 September 2026 ("FY26H2"), the Group recorded revenue and profit before tax of $28.8m and $0.7m respectively. Revenue declined $7.3m or 20.3% compared to second half year ended 30 September 2025 ("FY25H2") was mainly due to shortages of components arising from global supply disruptions in the Group's contract manufacturing segment.

Gross profit in FY26H2 increased by $0.6m or 11.9% despite lower revenue, due to a more favorable product mix and improved cost management which resulted in higher gross profit margin of 19.8% from 14.1% in FY25H2.

The decline in distribution cost of $0.2m or 31.1% was in line with the decline in revenue. As a result of the above, the Group reported a profit before tax of $0.7m for the period.

Income tax expense in FY26H2 increased by $0.6m in line with the higher taxable profits and adjustments in respect of current and prior periods. This resulted the Group with a profit after tax of $0.1m for the period.

Full year ended 30 September 2026

For the year ended 30 September 2026 ("FY26"), the Group recorded revenue and profit before tax of $60.1m and $36,000 respectively. Revenue declined $11.0m or 15.4% compared to the prior year ended 30 September 2025 ("FY25"). This was mainly due to shortages of components arising from global supply disruptions and lower demand from customers, resulting in a decrease of $11.8m revenue from the Group's contract manufacturing segment. This is offset partially by higher orders from customers in trading segment, resulting in an increase in revenue by $0.8m.

Gross profit in FY26 declined marginally by $0.2m or 2.2% despite significant decline in revenue. This was mainly due to improvement in gross profit margin to 16.8% from 14.5% in FY25, which arose from better product mix, improved cost management and production efficiencies.

In FY26, other operating income declined by $0.5m due mainly to absence of foreign exchange gain. Distribution costs declined by $0.4m due to the lower revenue. However, administrative expenses increased by $0.2m due mainly to higher employee benefits. As a result of the above, the Group reported a profit before tax of $36,000 for the year.

Statements of Comprehensive Income (cont'd)

Full year ended 30 September 2026 (cont'd)
Income tax expense in FY26 increased $0.4m due mainly to deferred tax adjustments in respect of current and prior years. This resulted the Group with a loss after tax of $0.6m for the year.

Under other comprehensive income, the Group recorded a $1.3m gain on exchange difference arising on translation of foreign operations due mainly to the strengthening of the Malaysian Ringgit as well as Chinese Renminbi against the Singapore Dollar.

Statements of Financial Position
Total trade receivables declined by $3.7m in line with lower revenue.

Inventories reduced by $4.5m while trade payables declined by $1.6m due to the lower purchases and fulfilment of customer orders using existing stock.

Cash balance rose by $5.8m due to higher cash generated from operations.

The Group has no bank borrowings. The lease liabilities are all attributable to right-of-use assets recognised pursuant to SFRS(I) 16 Leases. The higher right-of-use assets and lease liabilities arose from new lease entered into by a subsidiary pursuant to the expiring of the old lease.

3. WHERE A FORECAST, OR A PROSPECT STATEMENT, HAS BEEN PREVIOUSLY DISCLOSED TO SHAREHOLDERS, ANY VARIANCE BETWEEN IT AND THE ACTUAL RESULTS

Not applicable.

4. COMMENTARY OF THE SIGNIFICANT TRENDS AND COMPETITIVE CONDITIONS OF THE INDUSTRY IN WHICH THE GROUP OPERATES AND ANY KNOWN FACTORS OR EVENTS THAT MAY AFFECT THE GROUP IN THE NEXT REPORTING PERIOD AND THE NEXT 12 MONTHS

The global economic environment is expected to remain challenging amid geopolitical uncertainties, inflationary pressures and ongoing supply chain disruptions. Strong demands for semiconductor and memory components, driven partly by the rapid expansion of artificial intelligence (AI) infrastructure has placed pressure on global component supply chains, resulting in longer lead times and constraints in critical material components availability.

The Group continues to face intense competition amid fluctuations in customer demand, the availability and costs of raw materials and components, as well as ongoing pressure from customers on product pricing, quality, delivery schedules and production costs. Inflationary pressures on labour and other operating costs in Malaysia and China, coupled with foreign exchange fluctuations, may continue to pose challenges to the Group's operating performance. The Group continues to strengthen its engagement with customers and suppliers to secure critical materials, enhance operational efficiency and exercise prudent cost management. Continuous efforts to diversify the customer base in order to help generate more stable revenue streams are also on-going.

Foreign exchange volatility continues to pose a key risk. As the Group's revenue are largely denominated in US Dollars, a weakening of the US Dollar could adversely affect revenue if operating costs are not similarly matched in currency. On the other hand, the strengthening Malaysia Ringgit adds to the Group's cost pressures as the Group has more costs than revenue denominated in the Malaysian Ringgit.

5. DIVIDEND INFORMATION

The directors are pleased to propose as follows:

Current period reported on:	
Type of dividend	Final
Amount per share	1.0 cents
Tax rate	One-tier tax exempt
Corresponding period of previous financial year:	
Type of dividend	Final
Amount per share	2.0 cents
Tax rate	One-tier tax exempt

Payment of the dividend, if approved by the shareholders at the forthcoming Annual General Meeting of the Company, will be made on 12 February 2027.

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of PNE Industries Ltd will be closed at 5.00 p.m. on 26 January 2027 for the preparation of dividend entitlement and shall reopen on the following working day.

Duly completed and stamped registrable transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 up to 5.00 p.m. on 26 January 2027 will be registered to determine shareholders' entitlements to the said dividend. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 26 January 2027 will be entitled to the proposed dividend.

Breakdown of total annual dividend

	Latest Full Year ended September 30, 2026 (One-tier tax exempt dividend*)	Latest Full Year ended September 30, 2025 (One-tier tax exempt dividend*)
Ordinary	$1,258,751	$2,517,503
Preference	-	-
Total:	$1,258,751	$2,517,503

* Includes interim dividends declared and paid during the financial year, as well as final dividend recommended in respect of that financial year, but payable/paid in the following financial year.

6. BREAKDOWN OF REVENUE AND PROFIT

		Latest financial year $'000	Previous financial year $'000	% increase / (decrease)
(a)	Revenue reported for first half year	31,290	34,944	(10.5)
(b)	Operating (loss) profit after tax before deducting minority interests reported for first half year	(668)	461	n.m.
(c)	Revenue reported for second half year	28,845	36,177	(20.3)
(d)	Operating profit after tax before deducting minority interests reported for second half year	69	62	11.3

7. INTERESTED PERSON TRANSACTIONS

No IPT mandate has been obtained.

8. CONFIRMATION PURSUANT TO RULE 704(13) OF THE LISTING MANUAL OF THE SGX-ST

Name	Age	Family relationship	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Tan Bee Foon	66	Sister of the executive managing director and aunt of the executive director as well as non-independent cum non-executive director	General Manager in Human Resource and Administration - in charge of human resource management and general admin matters. - Position held since 1st Jan 2000. Chief Sustainability Officer - in charge of formulation of the Group's sustainability agenda and ESG related matters. - Position held since 1st Oct 2019.	No changes
Tan Meng Siew	54	Niece of the executive managing director and cousin of the executive director as well as non-independent cum non-executive director	Financial Controller - in charge of finance and accounting functions. - Position first held in 1999. Also appointed as Company Secretary on 31st Dec 2004.	No changes

9. CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL OF THE SGX-ST

The Company has obtained undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1).

10. CONFIRMATION BY BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL OF THE SGX-ST

Not applicable for full year results announcement.

BY ORDER OF THE BOARD

Ms Tan Meng Siew
Company Secretary
26 November 2026