



PNE INDUSTRIES LTD

(Company registration no. 199905792R)

PNE INDUSTRIES LTD AND ITS SUBSIDIARIES

Registration Number: 199905792R

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 MARCH 2023

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

	Group		
	Six months ended		
	31-03-23	31-03-22	+ / (-)
	(“FY23H1”)	(“FY22H1”)	
	\$'000	\$'000	%
Revenue	24,664	38,219	(35.5)
Cost of sales	(20,055)	(29,939)	(33.0)
Gross profit	4,609	8,280	(44.3)
Other operating income	818	530	54.3
Distribution costs	(460)	(992)	(53.6)
Administrative expenses	(4,840)	(4,887)	(1.0)
Other operating expenses	(247)	(210)	17.6
Finance costs	(58)	(79)	(26.6)
(Loss) Profit for the period	(178)	2,642	n.m.
Income tax expense	(154)	(661)	(76.7)
(Loss) Profit for the period	(332)	1,981	n.m.
Other comprehensive income:			
<u>Items that will not be reclassified subsequently to profit or loss:</u>			
Net fair value gain on financial assets at FVTOCI	38	9	322.2
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Exchange difference arising on translation of foreign operations	(1,679)	441	n.m.
Other comprehensive income for the period, net of tax	(1,641)	450	n.m.
Total comprehensive income for the period	(1,973)	2,431	n.m.
Earnings per share (cents)			
Basic and diluted	(0.4)	2.4	n.m.

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	<u>Note</u>	<u>Group</u>		<u>Company</u>	
		<u>31-03-23</u>	<u>30-09-22</u>	<u>31-03-23</u>	<u>30-09-22</u>
		<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
ASSETS					
Current assets					
Cash and bank balances		35,361	31,112	19,673	21,994
Trade receivables		14,055	23,070	117	-
Other receivables		1,156	1,261	290	414
Inventories		23,897	22,631	-	-
		<u>74,469</u>	<u>78,074</u>	<u>20,080</u>	<u>22,408</u>
Asset classified as held-for-sale	9	-	211	-	-
Total current assets		<u>74,469</u>	<u>78,285</u>	<u>20,080</u>	<u>22,408</u>
Non-current assets					
Property, plant and equipment	10	5,135	5,375	-	-
Right-of-use assets		3,021	3,570	-	-
Investments in subsidiaries		-	-	19,514	19,514
Investment in associate		414	477	-	-
Financial assets at fair value through other comprehensive income	11	1,863	1,825	128	122
Deferred tax assets		197	181	-	-
Total non-current assets		<u>10,630</u>	<u>11,428</u>	<u>19,642</u>	<u>19,636</u>
Total assets		<u>85,099</u>	<u>89,713</u>	<u>39,722</u>	<u>42,044</u>
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables		9,915	9,336	28	25
Other payables		1,686	1,961	836	395
Lease liabilities		807	836	-	-
Income tax payable		333	251	3	3
Total current liabilities		<u>12,741</u>	<u>12,384</u>	<u>867</u>	<u>423</u>
Non-current liabilities					
Lease liabilities		1,615	2,095	-	-
Deferred tax liabilities		2	2	-	-
Total non-current liabilities		<u>1,617</u>	<u>2,097</u>	<u>-</u>	<u>-</u>
Capital and reserves					
Share capital	13	36,991	36,991	36,991	36,991
Currency translation reserve		(1,906)	(227)	-	-
Capital reserve		938	938	-	-
Investment revaluation reserve		792	754	36	30
Accumulated profits		33,926	36,776	1,828	4,600
Equity attributable to equity holders of the Company, representing total equity		<u>70,741</u>	<u>75,232</u>	<u>38,855</u>	<u>41,621</u>
Total liabilities and equity		<u>85,099</u>	<u>89,713</u>	<u>39,722</u>	<u>42,044</u>

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

	<u>Share capital</u> <u>\$'000</u>	<u>Currency translation reserve</u> <u>\$'000</u>	<u>Capital reserve</u> <u>\$'000</u>	<u>Investment revaluation reserve</u> <u>\$'000</u>	<u>Accumulated profits</u> <u>\$'000</u>	<u>Total attributable to equity holders of the Company</u> <u>\$'000</u>
GROUP						
Balance at October 1, 2021	36,991	660	938	(944)	37,368	75,013
Total comprehensive income for the period						
Profit for the period	-	-	-	-	1,981	1,981
Other comprehensive income for the period	-	441	-	9	-	450
Total	-	441	-	9	1,981	2,431
Transaction with owners, recognised directly in equity						
Dividends	-	-	-	-	(2,518)	(2,518)
Transfer to reserve fund	-	-	-	-	-	-
Total	-	-	-	-	(2,518)	(2,518)
Balance at March 31, 2022	36,991	1,101	938	(935)	36,831	74,926
Balance at October 1, 2022	36,991	(227)	938	754	36,776	75,232
Total comprehensive income for the period						
Loss for the period	-	-	-	-	(332)	(332)
Other comprehensive income for the period	-	(1,679)	-	38	-	(1,641)
Total	-	(1,679)	-	38	(332)	(1,973)
Transaction with owners, recognised directly in equity						
Dividends	-	-	-	-	(2,518)	(2,518)
Transfer to reserve fund	-	-	-	-	-	-
Total	-	-	-	-	(2,518)	(2,518)
Balance at March 31, 2023	36,991	(1,906)	938	792	33,926	70,741

	<u>Share capital</u> <u>\$'000</u>	<u>Investment revaluation reserve</u> <u>\$'000</u>	<u>Accumulated profits</u> <u>\$'000</u>	<u>Total</u> <u>\$'000</u>
COMPANY				
Balance at October 1, 2021	36,991	27	5,448	42,466
Total comprehensive income for the period				
Loss for the period	-	-	(126)	(126)
Other comprehensive income for the period	-	9	-	9
Total	-	9	(126)	(117)
Dividends, representing transaction with owners, recognised directly in equity	-	-	(2,518)	(2,518)
Balance at March 31, 2022	36,991	36	2,804	39,831
Balance at October 1, 2022	36,991	30	4,600	41,621
Total comprehensive income for the period				
Loss for the period	-	-	(254)	(254)
Other comprehensive income for the period	-	6	-	6
Total	-	-	(2,518)	(2,518)
Dividends, representing transaction with owners, recognised directly in equity	-	-	(2,518)	(2,518)
Balance at March 31, 2023	36,991	36	1,828	38,855

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Half-year ended:	<u>31-03-23</u>	<u>31-03-22</u>
	<u>\$'000</u>	<u>\$'000</u>
Operating activities		
(Loss) Profit before tax	(178)	2,642
Adjustments for:		
Depreciation of property, plant and equipment	422	340
Depreciation of right-of-use assets	427	458
Interest income	(442)	(49)
Finance cost	58	79
(Gain) Loss on disposal of property, plant and equipment	(35)	10
Gain on disposal of asset held-for-sale	(165)	-
(Reversal of) Allowance for inventory obsolescence (net)	(83)	69
Operating profit before movements in working capital	4	3,549
Trade receivables	7,871	(1,514)
Other receivables	66	541
Inventories	(1,898)	(1,286)
Trade payables	98	(2,359)
Other payables	(363)	229
Cash from operations	5,778	(840)
Interest received	442	49
Interest paid	(58)	(79)
Income tax paid	(72)	(38)
Net cash from (used in) operating activities	<u>6,090</u>	<u>(908)</u>
Investing activities		
Dividend received from associate	71	114
Proceeds from disposal of property, plant and equipment	21	21
Proceeds from disposal of asset held-for-sale	411	-
Purchase of property, plant and equipment	(426)	(929)
Net cash from (used in) investing activities	<u>77</u>	<u>(794)</u>
Financing activities		
Dividends paid	(2,518)	(2,518)
Repayment of lease liabilities	(406)	(385)
Net cash used in financing activities	<u>(2,924)</u>	<u>(2,903)</u>
Net increase (decrease) in cash and cash equivalents	3,243	(4,605)
Cash and cash equivalents at beginning of period	30,956	38,578
Net effect of foreign exchange rate changes	1,011	(434)
Cash and cash equivalents at end of period	<u>35,210</u>	<u>33,539</u>
Cash and cash equivalents represent:		
Cash and bank balances	9,210	10,474
Fixed deposits	26,151	23,226
	<u>35,361</u>	<u>33,700</u>
Less: Fixed deposits and bank balances pledged	(151)	(161)
	<u>35,210</u>	<u>33,539</u>

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 six months ended 31 March 2023 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activity of the Company is investment holding.

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 six months ended 31 March 2023 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 2022.

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 2.1.

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 Interpretations (“SFRS(I) INTs”) that are mandatory for the accounting periods beginning on or after 1 October 2022. The adoptions 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 period 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 2022. Details can be found in Note 3 to the annual financial statements for the year ended 30 September 2022.

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 period.

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.

	<u>Group</u>		<u>Group</u>	
	<u>Revenue</u>		<u>Profit</u>	
	<u>31-03-23</u>	<u>31-03-22</u>	<u>31-03-23</u>	<u>31-03-22</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Contract Manufacturing	21,114	34,466	(492)	2,225
Trading	3,550	3,753	187	518
Others	-	-	(257)	(71)
Total	<u>24,664</u>	<u>38,219</u>	<u>(562)</u>	<u>2,672</u>
Interest income			442	49
Finance costs			(58)	(79)
(Loss) Profit before tax			<u>(178)</u>	<u>2,642</u>
Income tax expense			<u>(154)</u>	<u>(661)</u>
(Loss) Profit for the period			<u>(332)</u>	<u>1,981</u>
			<u>Group</u>	
			<u>31-03-23</u>	<u>31-03-22</u>
			<u>\$'000</u>	<u>\$'000</u>
<u>Segment assets</u>				
Contract manufacturing			43,183	54,108
Trading			3,896	4,096
Others			599	664
Total segment assets			<u>47,678</u>	<u>58,776</u>
Unallocated			<u>37,421</u>	<u>34,280</u>
Consolidated assets			<u>85,099</u>	<u>93,148</u>

4. SEGMENT AND REVENUE INFORMATION (CONT'D)

4.1 Reportable segments (Cont'd)

	Group	
	31-03-23	31-03-22
	\$'000	\$'000
<i>Segment liabilities</i>		
Contract manufacturing	10,732	12,462
Trading	635	642
Others	233	310
Total segment liabilities	11,600	13,414
Unallocated	2,758	4,808
Consolidated liabilities	14,358	18,222

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	
	31-03-23	31-03-22
	\$'000	\$'000
Contract Manufacturing	21,114	34,466
Trading	3,550	3,753
	24,664	38,219

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	
	31-03-23	31-03-22	31-03-23	31-03-22
	\$'000	\$'000	\$'000	\$'000
Romania	11,029	19,998	-	-
Netherlands	3,443	4,993	2,149	485
Europe (excluding Romania and Netherlands)	1,443	3,346	-	-
People's Republic of China	1,944	2,573	3,097	4,640
Malaysia	2,700	3,125	4,847	5,420
Singapore	2,421	2,122	537	795
Others	1,684	2,062	-	-
	24,664	38,219	10,630	11,340

5. PROFIT BEFORE TAX

5.1 SIGNIFICANT ITEMS

	Group	
	31-03-23	31-03-22
	\$'000	\$'000
Other income - interest income	442	49
- others	176	481
Depreciation of property, plant and equipment	(422)	(340)
Depreciation of right-of-use assets	(427)	(458)
Reversal of (Allowance for) inventory obsolescence	83	(69)
Foreign exchange loss, net	(232)	(181)
Adjustment for over provision of tax in respect of prior years	15	31
Gain (Loss) on disposal of property, plant and equipment	35	(10)
Gain on disposal of asset held-for-sale	165	-

6. INCOME TAX EXPENSE

	Group	
	31-03-23	31-03-22
	\$'000	\$'000
Current tax:		
Singapore	3	445
Foreign	166	247
Over provision in prior years:		
Current tax	(15)	(31)
	<u>154</u>	<u>661</u>

7. EARNINGS PER SHARE

	Half-year ended March 31, 2023	Half-year ended March 31, 2022
(Loss) 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	(0.4 cents)	2.4 cents
Number of ordinary shares	83,916,757	83,916,757
(b) On a fully diluted basis	(0.4 cents)	2.4 cents
Adjusted number of ordinary shares	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 period reported on (March 31, 2023)	84.2 cents	46.3 cents
(b) Immediately preceding financial year (September 30, 2022)	89.6 cents	49.6 cents

9. ASSET HELD-FOR-SALE

During the six months ended 31 March 2023, the Group disposed part of its leasehold land that was classified as asset held-for-sale to a third party at a selling price of approximately \$411,000.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 March 2023, the Group acquired assets amounting to \$426,000 (FY22H1: \$929,000).

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group		Company	
	<u>31-03-23</u> \$'000	<u>30-09-22</u> \$'000	<u>31-03-23</u> \$'000	<u>30-09-22</u> \$'000
Investments in equity instruments designated at FVTOCI:				
Quoted equity shares	128	122	128	122
Unquoted equity shares	1,735	1,703	-	-
	<u>1,863</u>	<u>1,825</u>	<u>128</u>	<u>122</u>

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.

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:

31-03-23	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Financial assets at fair value through other comprehensive income – quoted equity shares	128	-	-	128
Financial assets at fair value through other comprehensive income – unquoted equity shares	-	-	1,735	1,735
	<u>128</u>	<u>-</u>	<u>1,735</u>	<u>1,863</u>
30-09-22	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Financial assets at fair value through other comprehensive income – quoted equity shares	122	-	-	122
Financial assets at fair value through other comprehensive income – unquoted equity shares	-	-	1,703	1,703
	<u>122</u>	<u>-</u>	<u>1,703</u>	<u>1,825</u>

12. BANK BORROWINGS AND DEBT SECURITIES

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

As at March 31, 2023		As at September 30, 2022	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Nil	807*	Nil	836*

(b) Amount repayable after one year

As at March 31, 2023		As at September 30, 2022	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Nil	1,615*	Nil	2,095*

* Being lease liabilities on right-of-use assets.

(c) Details of any collateral

Approximately \$151,000 (FY22: \$156,000) of the Group's fixed deposits is pledged to a bank in return for bank guarantees issued to third parties.

13. SHARE CAPITAL

	Group and Company			
	<u>31-03-23</u> <u>'000</u>	<u>30-09-22</u> <u>'000</u>	<u>31-03-23</u> <u>\$'000</u>	<u>30-09-22</u> <u>\$'000</u>
Number of ordinary shares				
Issued and paid-up capital:				
At the beginning and end of period/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 or treasury shares as at the end of the current financial period and previous financial year, and as at the end of the corresponding period of the previous financial year.

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

The Company does not have any share scheme.

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

Statement of Comprehensive Income

For the half-year ended March 31, 2023, the Group recorded revenue, loss before tax, and loss after tax of \$24.7m, \$0.2m, and \$0.3m respectively.

Revenue decreased by \$13.6m or 35.5% compared to the same period last year due mainly to lower contract manufacturing sales because of customer requests to defer deliveries as well as component shortages. Gross profit decreased by \$3.7m to \$4.6m in this period due mainly to the lower sales.

Other operating income increased by \$0.3m mainly due to higher interest income on fixed deposits as a result of higher interest rates.

Distribution costs declined due to the lower sales.

Income tax expense declined by \$0.5m compared to the same period last year due to certain entities in the Group being in a loss position in the current reporting period.

As a result of the above, the Group reported a loss after tax of \$0.3m for the current reporting period.

2. REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

Statement of Financial Position

Trade receivables reduced by \$9.0m in line with the lower sales.

Inventories rose by \$1.3m due to customer requests to defer deliveries and also because more buffer stocks are being held to help reduce the impact from supply chain disruptions.

Trade payables rose by \$0.6m due to more purchases being made on longer credit terms.

Cash balance rose by \$4.2m during the period due to higher cash generated from operating activities.

The Group has no bank borrowings. The lease liabilities are all attributable to right-of-use assets recognised pursuant to SFRS(I) 16 Leases.

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 and sentiment remains highly uncertain, with multiple headwinds from heightened geopolitical tensions, inflationary pressures, and supply chain challenges.

While there has been some improvement in the global shortage of electronic components, lead times for some components used by the Group are still protracted. This poses challenges for the Group with extended lead times and higher purchasing costs. The Group actively liaises with both its customers and suppliers to better manage its costs and supply chain.

The Group continues to face intense pressures from customers for lower pricing on its products. At the same time, the Group is experiencing rising costs in China and Malaysia, where its manufacturing operations are based in. The Group continuously monitors its activities to enforce stringent control of its costs and to identify opportunities to streamline operations for better efficiencies and operational excellence.

On top of the above, foreign exchange rates still remain volatile due to recent global events. As the Group has sales denominated in the United States Dollar, any weakening of the United States Dollar will have an adverse impact on the Group to the extent that the revenue is not matched by costs denominated in the United States Dollar.

While the ongoing international trade tensions have not had a significant impact on the Group, any continuation or escalation of the tensions in future may result in deterioration in economic sentiments, which may in turn affect demand for the Group's products.

5. DIVIDEND INFORMATION

The directors are pleased to propose as follows:

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

Payment of the dividend will be made on June 16, 2023.

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 May 26, 2023 for the preparation of dividend entitlement and shall reopen on the following working day.

6. INTERESTED PERSON TRANSACTIONS

No IPT mandate has been obtained.

7. CONFIRMATION TO THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICES (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1).

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).

BY ORDER OF THE BOARD

Ms Tan Meng Siew
Company Secretary
May 11, 2023

CONFIRMATION BY BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL OF THE SGXST

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for the half year ended March 31, 2023 to be false or misleading.

For and on behalf of the Board of Directors:

Tan Koon Chwee
Managing Director

Tan Kong Leong
Executive Director