

PROPOSED CONSOLIDATION OF EVERY FOUR (4) EXISTING ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AS AT A BOOKS CLOSURE DATE TO BE DETERMINED, INTO ONE (1) ORDINARY SHARE IN THE CAPITAL OF THE COMPANY, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

- **RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**
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1. INTRODUCTION

The Board of Directors (the “**Board**”) of PNE Industries Ltd (the “**Company**”) refers to its announcement made on 18 May 2015 (the “**Announcement**”) in relation to the consolidation of every four (4) existing issued ordinary shares in the capital of the Company (“**Shares**”) registered in the name of each shareholder of the Company (“**Shareholder**”) as at a books closure date to be determined by the Board, into one (1) consolidated ordinary share in the capital of the Company (“**Consolidated Share**”) (the “**Proposed Share Consolidation**”).

2. RECEIPT OF APPROVAL IN-PRINCIPLE FOR THE PROPOSED SHARE CONSOLIDATION

The Board is pleased to announce that the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) has approved in-principle (“**AIP**”) the listing and quotation of the Consolidated Shares, subject to:

- (a) Shareholders’ approval being obtained, at the extraordinary general meeting (“**EGM**”) of the Company to be convened for the Proposed Share Consolidation; and
- (b) compliance with the SGX-ST’s listing requirements.

The AIP is not to be taken as an indication of the merits of the Proposed Share Consolidation, the Consolidated Shares, the Company and/or its subsidiaries.

3. DESPATCH OF CIRCULAR

A circular containing, *inter alia*, the notice of the EGM and the details of the Proposed Share Consolidation will be despatched to the Shareholders in due course.

BY ORDER OF THE BOARD

Tan Meng Siew
Financial Controller and Company Secretary
15 June 2015