

BRITE-TECH BERHAD

Company no. 550212-U
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2013

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 4TH QUARTER ENDED 31 DECEMBER 2013

	<----- Individual Quarter ----->		<----- Cumulative Quarters ----->	
	Current Quarter Ended 31.12.2013 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 31.12.2012 (Reviewed) RM'000	Current Year-To-Date 31.12.2013 (Unaudited) RM'000	Preceding Year-To-Date 31.12.2012 (Audited) RM'000
Revenue	6,622	5,863	24,552	21,761
Operating expenses	(5,639)	(4,856)	(20,418)	(17,522)
Other operating income	81	53	364	171
Profit from operating activities	1,064	1,060	4,498	4,410
Impairment loss of goodwill	(200)	-	(200)	(900)
Finance income	81	93	355	328
Finance costs	(16)	(11)	(46)	(35)
Profit before tax	929	1,142	4,607	3,803
Taxation	(243)	(451)	(1,184)	(1,247)
Profit for the period	686	691	3,423	2,556
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	686	691	3,423	2,556
Total comprehensive income for the period				
Owners of the Company	712	666	3,350	2,440
Non-controlling interests	(26)	25	73	116
	686	691	3,423	2,556
Number of shares in issue ('000)	252,000	252,000	252,000	252,000
Weighted average number of shares ('000)	252,000	252,000	252,000	252,000
Earnings per ordinary share attributable to owners of the Company (sen):				
- Basic	0.28	0.26	1.33	0.97
- Diluted	N/A	N/A	N/A	N/A

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012.)

BRITE-TECH BERHAD (550212-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	As at End of Current Year Quarter 31.12.2013 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2012 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	22,286	19,999
Investment properties	3,240	3,240
Other investments	152	152
Goodwill on consolidation	1,568	1,768
	<u>27,246</u>	<u>25,159</u>
Current Assets		
Inventories	1,525	1,278
Trade and other receivables	7,743	7,214
Tax recoverable	39	68
Short-term investments	7,973	4,272
Fixed deposits with licensed banks	3,498	7,437
Cash and bank balances	1,714	1,604
	<u>22,492</u>	<u>21,873</u>
TOTAL ASSETS	<u>49,738</u>	<u>47,032</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	17,225	15,659
	<u>42,425</u>	<u>40,859</u>
Non-controlling interests	681	668
Total Equity	<u>43,106</u>	<u>41,527</u>
Non-Current Liabilities		
Long term borrowings (secured)	644	542
Deferred taxation	1,914	1,658
	<u>2,558</u>	<u>2,200</u>
Current Liabilities		
Trade and other payables	3,464	2,845
Amount due to directors	110	103
Bank overdraft	97	-
Short term borrowings (secured)	179	99
Provision for taxation	224	258
	<u>4,074</u>	<u>3,305</u>
Total Liabilities	<u>6,632</u>	<u>5,505</u>
TOTAL EQUITY AND LIABILITIES	<u>49,738</u>	<u>47,032</u>
Net assets per share attributable to owners of the Company (RM)	<u>0.17</u>	<u>0.16</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012.)

BRITE-TECH BERHAD (550212-U)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 4TH QUARTER ENDED 31 DECEMBER 2013**

	<----- Attributable to owners of the Company ----->					
	<----- Non-distributable----->		<-Distributable ->			Total Equity RM'000
	Share Capital	Revaluation reserves	Retained Profits	Total Shareholders' Equity	Non- controlling Interests	
RM'000	RM'000	RM'000	RM'000	RM'000		
<u>12 Months Ended 31 December</u>						
<u>2013 (Unaudited)</u>						
Balance as at 1 January 2013	25,200	7,334	8,325	40,859	668	41,527
Total comprehensive income for the financial period	-	-	3,350	3,350	73	3,423
Additional deferred tax liability on revaluation reserve	-	(272)	-	(272)	-	(272)
Dividend paid in respect of financial year ended 31 December 2012	-	-	(1,512)	(1,512)	(60)	(1,572)
Balance as at 31 December 2013	<u>25,200</u>	<u>7,062</u>	<u>10,163</u>	<u>42,425</u>	<u>681</u>	<u>43,106</u>
<u>12 Months Ended 31 December</u>						
<u>2012 (Audited)</u>						
Balance as at 1 January 2012	25,200	7,360	7,069	39,629	587	40,216
Total comprehensive income for the financial period						
- Net profit for the financial year	-	-	2,440	2,440	116	2,556
- Other comprehensive income, net of tax:						
Realisation of revaluation reserve on disposal of property, plant and equipment	-	(26)	26	-	-	-
	-	(26)	2,466	2,440	116	2,556
Additional investment in a subsidiary	-	-	-	-	25	25
Dividend paid in respect of financial year ended 31 December 2011	-	-	(1,210)	(1,210)	(60)	(1,270)
Balance as at 31 December 2012	<u>25,200</u>	<u>7,334</u>	<u>8,325</u>	<u>40,859</u>	<u>668</u>	<u>41,527</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012.)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 4TH QUARTER ENDED 31 DECEMBER 2013

	12 Months Period Ended 31.12.2013 (Unaudited) RM'000	12 Months Corresponding Period Ended 31.12.2012 (Audited) RM'000
Cash flows from operating activities		
Profit before tax	4,607	3,803
Adjustments for:		
Depreciation on property, plant and equipment	804	800
Loss on disposal of property, plant and equipment	-	2
Property, plant and equipment written off	54	19
Impairment of goodwill	200	900
Bad debts written off	8	2
Finance costs	46	35
Finance income	(355)	(328)
Impairment loss on trade receivables	114	14
Inventory written off	109	100
Operating profit before working capital changes	<u>5,587</u>	<u>5,347</u>
Changes in working capital:		
Inventories	(356)	193
Trade and other receivables	(651)	(541)
Trade and other payables	626	(106)
Cash from operations	<u>5,206</u>	<u>4,893</u>
Interest received	355	328
Interest paid	(46)	(35)
Income tax refund	29	3
Income tax paid	(1,234)	(1,174)
Net cash from operating activities	<u>4,310</u>	<u>4,015</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,145)	(877)
Proceeds from disposal of property, plant and equipment	-	299
Proceeds from issuance of share capital in a subsidiary from non-controlling interest	-	25
Net cash used in investing activities	<u>(3,145)</u>	<u>(553)</u>
Cash flows from financing activities		
Drawdown from hire purchase	315	235
Repayments of bank borrowings	(133)	(65)
Dividend paid to owners of the Company	(1,512)	(1,210)
Dividend paid to non-controlling interests	(60)	(60)
Net cash used in financing activities	<u>(1,390)</u>	<u>(1,100)</u>
Net changes in cash and cash equivalents	(225)	2,362
Cash and cash equivalent at beginning of period	<u>13,313</u>	<u>10,951</u>
Cash and cash equivalent at end of period	<u>13,088</u>	<u>13,313</u>
Cash and cash equivalents comprise the following:		
Short-term investments	7,973	4,272
Fixed deposits with licensed banks	3,498	7,437
Cash and bank balances	1,714	1,604
Bank overdraft	(97)	-
Cash and cash equivalents at end of the period	<u>13,088</u>	<u>13,313</u>

A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS134")

A1 Basis of preparation

The unaudited interim financial statements for the 4th quarter and financial year ended 31 December 2013 have been prepared under the historical cost convention except for financial instruments which are stated at fair values in accordance to Malaysian Financial Reporting Standards MFRS139 *Financial Instruments: Recognition and Measurement*, and the retirement benefit obligations include actuarial gains and losses in accordance with MFRS119 *Employee Benefits (revised)*.

The unaudited interim financial statements have been prepared in accordance with MFRS134 Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The unaudited interim financial statements should be read in conjunction with the audited financial statement for the financial year ended 31 December 2012. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2012.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2012, except for the adoption of the following MFRSs, IC interpretation and Amendments to MFRSs during the current financial year:

MFRS 3	Business Combinations
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Consolidated and Separate Financial Statements (revised)
MFRS 128	Investments in Associates and Joint Ventures (revised)
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Amendments to MFRS1	Government Loans
Amendments to MFRS7	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS11	Joint Arrangements: Transition Guidance
Amendments to MFRS12	Disclosure of Interest in Other Entities: Transition Guidance
Amendments to MFRS101	Presentation of Items of Other Comprehensive Income
Annual Improvements to IC Interpretations and MFRSs 2009-2011 Cycle	

The following MFRSs and Amendments to MFRSs have been issued by the MASB but are not yet effective to the Group and the Company:

Effective for financial periods beginning on or after 1 January 2014

Amendments to MFRS132	Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS10, 12 and 127	Investment Entities
Amendments to MFRS136	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS139	Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies

IC Interpretation 20 and IC Interpretation 21 are not applicable to the Group and the Company as it is not relevant to the Group's operation. Government Loans (Amendments to MFRS1) has no financial impact to the Group and the Company as the Group and the Company do not hold any government grants or receive any government assistance.

The adoption of all the other MFRSs and amendments to MFRSs did not have any financial impact to the Group and the Company.

Effective for financial periods beginning on or after 1 January 2015

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009)
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in October 2010)
Amendments to MFRS 9	Mandatory Effective Date of MFRS 9 and Transition Disclosures

The Group will adopt the above pronouncements when they become effective in the respective financial periods. These pronouncements are not expected to have any effect to the financial statements of the Group upon their initial application.

A2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the year ended 31 December 2012 was not qualified.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE 4TH QUARTER ENDED 31 DECEMBER 2013

A3 Comments About Seasonal or Cyclical Factors

The Group's principal business is not significantly affected by any seasonal or cyclical factors.

A4 Unusual Items Affecting Interim Financial Report

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and year ended 31 December 2013.

A5 Dividends Paid

A final single-tier dividend on ordinary share of 0.60 sen per share (2011: 0.48 sen per share) amounting to RM1,512,000 (2011: RM1,209,600) in respect of the financial year ended 31 December 2012 was approved by the shareholders at the Company's Annual General Meeting held on 28 May 2013 and has been paid by the Company on 25 June 2013 to shareholders whose names appear in the Register of Depositors as the close of business on 10 June 2013.

A6 Material Changes in Estimates Used

There were no significant changes in the nature and amount of estimates used in prior interim reporting period or prior financial years that have a material effect in the current quarter and year ended 31 December 2013.

A7 Debt and Equity Securities

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and year ended 31 December 2013.

A8 Segmental Information

Segment revenue and segment results for the financial year ended 31 December 2013 by the respective operating segments are as follows:

<u>Financial Year Ended 31.12.2013</u>	Environmental products and services RM'000	System equipment and ancillary products RM'000	Investments RM'000	Inter-segment		Group RM'000
				Eliminations RM'000		
REVENUE						
External revenue	19,956	4,596	-	-	-	24,552
Inter-segment revenue	909	15	1,206	(2,130)		-
Total revenue	20,865	4,611	1,206	(2,130)		24,552
RESULT						
Segment results (external)	3,966	902	(370)	-		4,498
Impairment loss of goodwill						(200)
Finance income	136	11	208	-		355
Finance costs	(46)	-	-	-		(46)
Profit/(loss) before taxation	4,056	913	(162)	-		4,607
Taxation						(1,184)
Total comprehensive income for the period						3,423
Non-controlling interests						(73)
Profit attributable to Owners of the Company						3,350

<u>Financial Year Ended 31.12.2012</u>	Environmental products and services RM'000	System equipment and ancillary products RM'000	Investments RM'000	Inter-segment		Group RM'000
				Eliminations RM'000		
REVENUE						
External revenue	17,819	3,942	-	-	-	21,761
Inter-segment revenue	969	22	1,206	(2,197)		-
Total revenue	18,788	3,964	1,206	(2,197)		21,761
RESULT						
Segment results (external)	4,236	477	(303)	-		4,410
Impairment loss of goodwill						(900)
Finance income	133	7	189	(1)		328
Finance costs	(36)	-	-	1		(35)
Profit/(loss) before taxation	4,333	484	(114)	-		3,803
Taxation						(1,247)
Total comprehensive income for the period						2,556
Non-controlling interests						(116)
Profit attributable to Owners of the Company						2,440

A9 Valuations of Property, Plant and Equipment

There has been no valuation undertaken for the Group's property, plant and equipment in the current quarter and year ended 31 December 2013.

A10 Material Subsequent Event

- i) The Call & Put Option Agreement ("CPOA") dated 9 December 2009 for the disposal of 15% equity interest in Agro Venture Carbon Sdn Bhd (formerly known as Brite-Tech Ventures Sdn Bhd) has been completed on 3 January 2014, following the full settlement of the Put Option B - Purchase Consideration of RM300,000 by Chow Boon Ping.
- ii) Hooker Chemical Sdn. Bhd. ("HCSB" or "the Plaintiff"), a wholly owned subsidiary of BTECH, had filed a Writ of Summons and Statement of Claim, both dated 28 January 2014, in the Subordinate Courts of the Republic of Singapore against ACE Environment Pte. Ltd. ("ACE" or "the Defendant") for the sum of SGD241,040 in respect of the supply of a Single Hyper X (Double Module) machine ("the Machinery") by the Defendant which failed to meet the performance criteria stipulated under the Purchase Order issued by the Plaintiff. The sum of SGD241,040 includes the refund for the full purchase price of SGD230,600 for the Machinery and warehouse expenses of SGD10,440 to store the Machinery at the Plaintiff's premises.

The Writ of Summons and Statement of Claim were served on the Defendant on 3 February 2014 and in view of the Defendant's default to file a Memorandum of Appearance, the Plaintiff's lawyers had proceeded to file a Request to Enter Default Judgment ("Request") on 13 February 2014 which was rejected for the reason that the Plaintiff's claim for warehouse charges was in the nature of damages, and hence, Judgment ought to be entered by way of an Interlocutory Judgment instead of a Final Judgment.

Subsequently, the Plaintiff's lawyers filed another Request on 17 February 2014 as per the Registrar's Written Direction on 13 February 2014. The same was rejected again and the Plaintiff's lawyers were directed to address whether the warehouse charges would exceed the District Court jurisdiction.

Thereafter, the Plaintiff's lawyers filed another Request on 25 February 2014 and informed the Honourable District Judge that the warehouse charges which the Plaintiff is claiming for is a liquidated sum, in the sum of SGD10,440. Hence, the total sum claimed by the Plaintiff in the action herein is in the sum of SGD241,040 which does not exceed the District Court's jurisdiction. The Plaintiff's lawyers had requested that the Default Judgment be entered against the Defendant in respect of the Plaintiff's entire claim, with interest and costs.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter and year ended 31 December 2013.

A12 Derivatives

- (a) There were no outstanding derivatives (including financial instruments designated as hedging instruments) as at the end of the financial year ended 31 December 2013; and
- (b) The Group has not entered into a type of derivatives not disclosed in the previous financial year or any of the previous quarters under the current financial year.

A13 Gains / Losses Arising from Fair Value Changes of Financial Liabilities

There were no material amount of gains or losses arising from fair value changes of its financial liabilities for the current and cumulative quarter.

A14 Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets arising since the last financial year ended on 31 December 2012.

	31.12.2013 (Unaudited) RM '000	31.12.2012 (Audited) RM'000
Corporate guarantees given to financial institutions for banking facilities granted to subsidiary companies	16,714	16,714
	<u>16,714</u>	<u>16,714</u>

A15 Capital Commitments

After having made all reasonable enquiries and save as disclosed below, as at the end of the financial year, the Board is not aware of any material commitment for capital expenditure incurred or known to be incurred by the Group that has not been provided for which, upon becoming enforceable, may have a material impact on the financial results / position of the Group:

	31.12.2013 (Unaudited) RM '000
Capital expenditures not provided for in the financial statements in respect of purchase of two pieces of land	
- Approved and contracted for	<u>5,058</u>

The above mentioned material commitments are expected to be funded through internally-generated fund and / or bank borrowings of the Group.

A16 Significant Related Party Transactions

	Current Year Quarter 31.12.2013 RM'000	Cumulative Year To Date 31.12.2013 RM'000
The Group has the following inter companies transactions:		
Management fees	<u>301</u>	<u>1,206</u>
Rental	<u>53</u>	<u>211</u>
Revenue	<u>272</u>	<u>924</u>

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET

B1 Review of Performance for the Current Quarter and Financial Year-To-Date

The Group's revenue for the current quarter ended 31 December 2013 showed an increase of 12.9% to RM6.622 million from RM5.863 million in the preceding corresponding year's quarter. The Group's profit before tax decreased by 18.7% to RM0.929 million as against preceding corresponding year's quarter of RM1.142 million.

The Group's revenue for the current financial year-to-date ended 31 December 2013 showed an increase of 12.8% to RM24.552 million from RM21.761 million in the preceding corresponding year's quarter. The Group's profit before tax increased by 21.1% to RM4.607 million as against preceding corresponding year's quarter of RM3.803 million.

The decrease in the Group's profit before tax for the current quarter was mainly due to impairment loss of goodwill. However, the Group's profit before tax for the financial year-to-date showed an improvement due to the higher revenue achieved and lower impairment loss of goodwill provided as compared to previous financial year-to-date.

Environmental products and services

This segment is the main contributor for the financial year ended 31 December 2013 as it comprised 81.3% of the total revenue.

For the financial year ended 31 December 2013, the revenue in environmental products and services increased by RM2.077 million or 11.1% to RM20.865 million as compared to RM18.788 million reported in the corresponding financial year ended 31 December 2012. The profit before tax for the financial year ended 31 December 2013 reduced by RM0.277 million or 6.4% to RM4.056 million as compared to RM4.333 million reported in the corresponding financial year ended 31 December 2012.

System equipment and ancillary products

This segment comprised 18.7% of the total revenue for the financial year ended 31 December 2013.

For the financial year ended 31 December 2013, the revenue in system equipment and ancillary products increased by RM0.647 million or 16.3% to RM4.611 million as compared to RM3.964 million reported in the corresponding financial year ended 31 December 2012. The profit before tax for the financial year ended 31 December 2013 increased by RM0.429 million or 88.6% to RM0.913 million as compared to RM0.484 million reported in the corresponding financial year ended 31 December 2012.

The results of the current quarter and financial year-to-date under review have not been affected by any transactions or events of a material or unusual nature.

B2 Variation of Results Against Immediate Preceding Quarter

	Current Year Quarter 31.12.2013	Immediate Preceding Quarter 30.09.2013	Variation	
	RM'000	RM'000	RM'000	%
Revenue	6,622	6,394	228	3.6%
Profit before tax	929	1,235	(306)	-24.8%

For the current quarter under review, the Group recorded a higher revenue of RM6.622 million, representing an increase of 3.6% from the immediate preceding quarter's revenue of RM6.394 million. The Group's profit before tax for the current quarter decreased by 24.8% to RM0.929 million as compared to the preceding quarter.

B3 Prospects

The Group expects the year ahead to remain challenging. Barring any unforeseen circumstances, the performance of the existing business of the Group is likely to remain satisfactory for the year ahead.

B4 Variance of Actual Profit from Forecast Profit

Not applicable as the Group did not issue any profit forecast or profit guarantee for the current quarter and year ended 31 December 2013.

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(Incorporated in Malaysia)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE 4TH QUARTER ENDED 31 DECEMBER 2013

B5 Taxation

The Group's taxation for the current quarter and financial year-to-date were as follows:

	Individual Quarter		Cumulative Quarters	
	Current Year	Preceding Year	Current Year -To-	Preceding
	Quarter	Corresponding	Date	Year-To-Date
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Income and deferred tax				
-Current	269	401	1,201	1,209
- (Over)/under provision in prior year	(26)	50	(17)	38
	<u>243</u>	<u>451</u>	<u>1,184</u>	<u>1,247</u>

The Group's effective tax rate for the current quarter was slightly higher than the statutory tax rate mainly due to the tax charges relate to profits of certain subsidiary companies which cannot be set-off against losses of other subsidiary companies and certain expenses are not deductible for tax purposes.

B6 Additional Notes to Condensed Consolidated Statements of Profit and Loss and Other Comprehensive Income

	Current Year	Current Year-To-
	Quarter	Date
	31.12.2013	31.12.2013
	(Unaudited)	(Unaudited)
	RM'000	RM'000
Other operating income:		
Rental income	39	140
Bad debts recovered	17	23
Gain on foreign exchange - realised	6	31
Gain on disposal of property, plant and equipment	1	-
Miscellaneous income	18	170
Operating expenses:		
Depreciation on property, plant and equipment	216	804
Impairment loss on trade receivables	50	114
Bad debts written off	-	8
Inventories written off	27	109
Property, plant and equipment written off	20	54
Impairment of goodwill	200	200

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

B7 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

B8 Borrowings

The Group's borrowings as at the current quarter are as follows:

	Current Year
	Quarter
	31.12.2013
	RM'000
Short term borrowings (Secured)	276
Long term borrowings (Secured)	644
Total	<u>920</u>

Bank overdraft of RM 0.097 million has been included as short term borrowings.

The Group has no unsecured borrowings in the current quarter under review.

The Group's borrowings are all denominated in Ringgit Malaysia.

B9 Unrecognised Financial Instruments

i) The Company had entered into a Call and Put Option Agreement ("CPOA") on 9 December 2009 for the disposal of 150,000 ordinary shares of RM 1.00 each, comprising 15% equity interest in Agro Venture Carbon Sdn. Bhd. ("AVC") (formerly known as Brite Tech Venture Sdn. Bhd.) for a total disposal consideration of RM 300,000. The salient features of CPOA are as follow:

- a) - The Company grants a call option ("the Call Option") to the Purchaser to give the Purchaser the option to purchase the 15% equity interest in AVC, free from all Encumbrances ("Option Shares") from the Company within a period of 48 months from the date of the CPOA ("the Call Option Period") at RM300,000 provided that the turnover of AVC based on the latest audited accounts of AVC at the time of the exercise of the Call Option, is less than RM5,000,000;
- The Call Option may be exercisable by the Purchaser in respect of all and not part of the Option Shares within the Call Option Period;
- b) The Purchaser grants to the Company the right to sell the Option Shares ("the Put Option A") to the Purchaser within a period of 48 months from the date of the CPOA ("the Put Option A Period") at RM300,000 provided that, the turnover of AVC based on the latest audited accounts of at the time of exercise of Put Option, is RM5,000,000 or more;
- c) The Purchaser grants to the Company the right to sell the Option Shares to the Purchaser ("Put Option B") on or after the expiry of 48 months from the date of the CPOA ("Put Option B Period"). The Put Option B shall be exercisable by the Company within 6 months from the expiry of 48 months from the date of the CPOA at RM300,000 irregardless of the turnover of AVC;

The Put Option A and Put Option B may be exercisable by the Company in respect of all and not part of the Option Shares within the Put Option A Period and Put Option B Period;

It is not practical to estimate the fair value of the CPOA for unquoted corporations because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs.

ii) As at 31 December 2013, the contingent liability not recognised in the statement of financial position of the company is as follow:-

	<u>Credit facilities limit</u> RM '000	<u>Amount utilised</u> RM '000	<u>Net fair value</u> RM '000
Corporate guarantee	16,714	401	-

The net fair value of the contingent liability is estimated to be minimal as the subsidiary companies are expected to fulfil their obligation to repay their borrowings.

B10 Changes in Material Litigation

There were no pending material litigation which would materially and adversely affect the financial position of the Group and the Company at the date of this announcement.

B11 Earnings Per Share

The basic and diluted earnings per share (EPS) for the current quarter and financial year-to-date have been calculated as follows:

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 31.12.2013	Preceding Year Corresponding Quarter 31.12.2012	Current Year-To- Date 31.12.2013	Preceding Year-To-Date 31.12.2012
Profits attributable to owners of the Company (RM'000)	712	666	3,350	2,440
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	0.28	0.26	1.33	0.97
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

The diluted EPS is not applicable as there were no potential ordinary shares in issue for the current quarter and cumulative quarter.

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B12 Dividends Payable

The Board of Directors is proposing a single tier dividend on ordinary share of 0.63 sen per share amounting to RM1,587,600.00 in respect of the financial year ended 31 December 2013 (2012: 0.60 sen per share), subject to approval by shareholders at the forthcoming Annual General Meeting.

B13 Realised and Unrealised Retained Profits

The retained profits of the Group is analysed as follows:

	As at 31.12.2013 (Unaudited) RM'000	As at 31.12.2012 (Audited) RM'000
Total retained profits of Company and its subsidiaries:		
- Realised	18,491	16,613
- Unrealised	1,150	1,171
	<u>19,641</u>	<u>17,784</u>
Less: Consolidation adjustments	(9,478)	(9,459)
Total Group retained profits as per consolidated accounts	<u><u>10,163</u></u>	<u><u>8,325</u></u>

The determination of realised and unrealised profits or losses is compiled based on Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised retained profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

B14 Limited review by external auditors

The Board had engaged the external auditors to review and report on the condensed consolidated financial statement of Brite-Tech Berhad for each of the four quarters ended 31 March 2013, 30 June 2013, 30 September 2013 and 31 December 2013 during the financial year, in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as directed by Bursa Securities.

The external auditors reported to the Board that nothing has come to their attention that causes them to believe that the said condensed consolidated financial statements were not prepared, in all material respects, in accordance with MFRS 134 *Interim Financial Reporting* and in accordance with IAS 34 *Interim Financial Reporting* issued by the IASB. The report was made to the Board in accordance to the terms of reference with the external auditors and for no other purpose.

BY ORDER OF THE BOARD

Yip Siew Yoong (MAICSA 0736484)

Leong Siew Kit (MACS 01215)

Company Secretaries

Kuala Lumpur

26 February 2014