

BRITE-TECH BERHAD

Company no. 550212-U
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2015

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 2ND QUARTER ENDED 30 JUNE 2015**

	<----- Individual Quarter ----->		<----- Cumulative Quarters ----->	
	Current Quarter Ended 30.06.2015 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 30.06.2014 (Unaudited) RM'000	Current Year-To-Date 30.06.2015 (Unaudited) RM'000	Preceding Year-To-Date 30.06.2014 (Unaudited) RM'000
Revenue	6,250	6,148	13,154	11,576
Operating expenses	(4,969)	(5,340)	(10,676)	(9,729)
Other operating income	(18)	1,881	52	2,078
Profit from operating activities	1,263	2,689	2,530	3,925
Impairment loss of goodwill	-	(400)	-	(400)
Finance income	183	132	316	234
Finance costs	(19)	(10)	(33)	(26)
Profit before tax	1,427	2,411	2,813	3,733
Taxation	(359)	(253)	(705)	(605)
Profit for the period	1,068	2,158	2,108	3,128
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	1,068	2,158	2,108	3,128
Total comprehensive income for the period				
Owners of the Company	1,034	2,133	2,051	3,112
Non-controlling interests	34	25	57	16
	<u>1,068</u>	<u>2,158</u>	<u>2,108</u>	<u>3,128</u>
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	<u>0.41</u>	<u>0.85</u>	<u>0.81</u>	<u>1.23</u>
- Diluted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2014.)

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

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	As at End of Current Year Quarter 30.06.2015 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2014 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	21,518	21,287
Investment properties	3,240	3,240
Goodwill on consolidation	1,168	1,168
Total Non-Current Assets	25,926	25,695
Current Assets		
Inventories	1,567	1,148
Trade and other receivables	9,519	8,053
Tax recoverable	56	85
Short-term investments	11,845	14,481
Fixed deposits with licensed banks	758	727
Cash and bank balances	4,027	2,394
Total Current Assets	27,772	26,888
TOTAL ASSETS	53,698	52,583
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	21,471	21,008
	46,671	46,208
Non-controlling interests	772	715
Total Equity	47,443	46,923
Non-Current Liabilities		
Long term borrowings (secured)	1,204	778
Deferred taxation	1,474	1,474
	2,678	2,252
Current Liabilities		
Trade and other payables	3,103	2,829
Amount due to directors	118	114
Bank overdraft	95	100
Short term borrowings (secured)	84	234
Provision for taxation	177	131
	3,577	3,408
Total Liabilities	6,255	5,660
TOTAL EQUITY AND LIABILITIES	53,698	52,583
Net assets per share attributable to owners of the Company (RM)	0.19	0.19

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2014.)

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 2ND QUARTER ENDED 30 JUNE 2015

	<----- Attributable to owners of the Company ----->					Total Equity RM'000
	<---- Non-distributable---->		<-Distributable ->		Non- controlling Interests RM'000	
	Share Capital RM'000	Revaluation reserves RM'000	Retained Profits RM'000	Total Shareholders' Equity RM'000		
<u>6 Months Ended 30 June 2015</u>						
<u>(Unaudited)</u>						
Balance as at 1 January 2015	25,200	6,491	14,517	46,208	715	46,923
Total comprehensive income for the financial period	-	-	2,051	2,051	57	2,108
Dividend paid in respect of financial year ended 31 December 2014	-	-	(1,588)	(1,588)	-	(1,588)
Balance as at 30 June 2015	<u>25,200</u>	<u>6,491</u>	<u>14,980</u>	<u>46,671</u>	<u>772</u>	<u>47,443</u>
<u>6 Months Ended 30 June 2014</u>						
<u>(Unaudited)</u>						
Balance as at 1 January 2013	25,200	7,061	10,164	42,425	681	43,106
Total comprehensive income for the financial period	-	-	3,112	3,112	16	3,128
Transfer from deferred taxation	-	224	-	-	-	224
Reversal of revaluation reserve on disposal	-	(794)	794	-	-	-
Dividend paid in respect of financial year ended 31 December 2013	-	-	(1,588)	(1,588)	-	(1,588)
Balance as at 30 June 2013	<u>25,200</u>	<u>6,491</u>	<u>12,482</u>	<u>43,949</u>	<u>697</u>	<u>44,870</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2014.)

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 2ND QUARTER ENDED 30 JUNE 2015

	6 Months Period Ended 30.06.2015 (Unaudited) RM'000	6 Months Corresponding Period Ended 30.06.2014 (Unaudited) RM'000
Cash flows from operating activities		
Profit before taxation	2,813	3,733
Adjustments for:		
Bad debts written off	-	6
Depreciation on property, plant and equipment	372	383
Finance costs	33	26
Finance income	(316)	(234)
Gain on disposal of investment	-	(148)
Gain on disposal of property, plant and equipment	-	(1,834)
Impairment of goodwill	-	400
Impairment loss on trade receivables	9	2
Impairment loss on other receivables	-	578
Property, plant and equipment written off	-	11
Operating profit before working capital changes	<u>2,911</u>	<u>2,923</u>
Changes in working capital:		
Inventories	(420)	232
Trade & other receivables	(1,400)	(398)
Trade & other payables	203	(557)
Cash from operations	<u>1,294</u>	<u>2,200</u>
Interest paid	(33)	(26)
Income tax paid	(512)	(523)
Net cash from operating activities	<u>749</u>	<u>1,651</u>
Cash flows from investing activities		
Interest received	316	234
Purchase of property, plant and equipment	(724)	(1,079)
Proceeds from disposal of property, plant and equipment	5	4,340
Proceeds from disposal of investment	-	300
Net cash (used in)/from investing activities	<u>(403)</u>	<u>3,795</u>
Cash flows from financing activities		
Drawdown from hire purchase	423	-
Repayments of bank borrowings	(148)	(88)
Dividend paid to owners of the Company	(1,588)	(1,588)
Net cash used in financing activities	<u>(1,313)</u>	<u>(1,676)</u>
Net changes in cash and cash equivalents	(967)	3,770
Cash and cash equivalent at beginning of period	<u>17,502</u>	<u>13,088</u>
Cash and cash equivalent at end of period	<u>16,535</u>	<u>16,858</u>
Cash and cash equivalents comprise the following:		
Short-term investments	11,845	14,412
Fixed deposits with licensed banks	758	622
Cash and bank balances	4,027	1,921
Bank overdraft	(95)	(97)
Cash and cash equivalents at end of the period	<u>16,535</u>	<u>16,858</u>

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

A1 Basis of preparation

The unaudited interim financial statements for the 2nd quarter ended 30 June 2015 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 MFRS 139 *Financial Instruments: Recognition and Measurement* and the retirement benefit obligations in accordance with MFRS 119 *Employee Benefits*.

The unaudited interim financial statements have been prepared in accordance with MFRS 134 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 2014. 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 2014.

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 2014, except for the adoption of the following MFRSs, IC interpretation and Amendments to MFRSs during the current financial period:

Amendments to MFRS119	Defined Benefit Plans: Employee Contributions
Annual improvements to MFRSs 2010 -2012 Cycle	
Annual improvements to MFRSs 2011 -2013 Cycle	

The adoption of the above pronouncements did not have any financial impact to the Group.

As at the date of authorisation of the Condensed Report, the following Standards were issued but not yet effective and have not been adopted by the Group:

Effective for financial periods beginning on or after 1 January 2016

MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS101	Disclosure Initiative
Amendments to MFRS116 & MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS116 & MFRS 141	Agriculture: Bearer Plants
Amendments to MFRS10 & MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to MFRS10, MFRS 12 & MFRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to MFRS14	Regulatory Deferral Accounts
Amendments to MFRS127	Equity Method in Separate Financial Statements
Annual improvements to MFRSs 2012-2014 Cycle	

Effective for financial periods beginning on or after 1 January 2017

MFRS 15	Revenue from Contracts with Customers
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Effective for financial periods beginning on or after 1 January 2018

MFRS 9	Financial Instruments
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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 2014 was not qualified.

A3 Comments About Seasonal or Cyclical Factors

The Group's principal business is not significantly affected by seasonality or cyclicity factors during the current quarter under review.

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 under review.

A5 Dividends Paid

A final single-tier dividend on ordinary share of 0.63 sen per share amounting to RM1,587,600 (2013: RM1,587,600) in respect of the financial year ended 31 December 2014 was approved by the shareholders at the Company's Annual General Meeting held on 27 May 2015 and has been paid by the Company on 23 June 2015 to shareholders whose names appear in the Register of Depositors at the close of business on 15 June 2015.

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 under review.

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 under review.

A8 Segmental Information

Segment revenue and segment results for the financial period ended 30 June 2015 by the respective operating segments are as follows:

<u>Financial Period Ended 30.06.2015</u>	Environmental products and services RM'000	System equipment and ancillary products RM'000	Investments RM'000	Inter-segment Eliminations RM'000	Group RM'000
REVENUE					
External revenue	11,414	1,740	-	-	13,154
Inter-segment revenue	258	11	661	(930)	-
Total revenue	<u>11,672</u>	<u>1,751</u>	<u>661</u>	<u>(930)</u>	<u>13,154</u>
RESULT					
Segment results (external)	2,204	412	(86)	-	2,530
Finance income	153	21	142	-	316
Finance costs	(33)	-	-	-	(33)
Profit before taxation	<u>2,324</u>	<u>433</u>	<u>56</u>	<u>-</u>	<u>2,813</u>
Taxation					(705)
Total comprehensive income for the period					<u>2,108</u>
Non-controlling interests					(57)
Profit attributable to Owners of the Company					<u>2,051</u>

<u>Financial Period Ended 30.06.2014</u>	Environmental products and services RM'000	System equipment and ancillary products RM'000	Investments RM'000	Inter-segment Eliminations RM'000	Group RM'000
REVENUE					
External revenue	9,382	2,194	-	-	11,576
Inter-segment revenue	378	5	722	(1,105)	-
Total revenue	<u>9,760</u>	<u>2,199</u>	<u>722</u>	<u>(1,105)</u>	<u>11,576</u>
RESULT					
Segment results (external)	1,982	(4)	1,547	-	3,525
Finance income	108	12	114	-	234
Finance costs	(26)	-	-	-	(26)
Profit before taxation	<u>2,064</u>	<u>8</u>	<u>1,661</u>	<u>-</u>	<u>3,733</u>
Taxation					(605)
Total comprehensive income for the period					<u>3,128</u>
Non-controlling interests					(16)
Profit attributable to Owners of the Company					<u>3,112</u>

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 under review.

A10 Material Subsequent Event

On 7 August 2015, Hooker Chemical Sdn. Bhd., a wholly owned subsidiary of BTECH, has been awarded a contract from Biovision & Greenergy Sdn. Bhd. to supply, deliver, install and commission one (1) unit of 600 cubic metres per day Industrial Wastewater Treatment System at Biovision & Greenergy Empty Fruit Bunch (EFB) Fiber Plant at Segamat, Johor for the contract sum of RM6,770,000 for a period of ten (10) months commencing from August 2015 to May 2016.

A11 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

A12 Derivatives

- (a) There were no outstanding derivatives (including financial instruments designated as hedging instruments) as at the end of the quarter ended 30 June 2015; 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 changes in contingent liabilities or contingent assets of the Group since the last financial year ended on 31 December 2014.

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:

	30.06.2015 (Unaudited) RM '000
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	6,316

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 30.06.2015 RM'000	Cumulative Year To Date 30.06.2015 RM'000
The Group has the following inter companies transactions:		
Management fees	339	661
Rental	52	105
Revenue	77	269

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 30 June 2015 showed a slight increase of 1.66% to RM6.250 million from RM6.148 million in the preceding corresponding year's quarter. The Group's profit before tax decreased by 40.81% to RM1.427 million as against preceding corresponding year's quarter of RM2.411 million.

The Group's revenue for the financial year-to-date ended 30 June 2015 showed an increase of 13.63% to RM13.154 million from RM11.576 million in the preceding corresponding year's quarter. The Group's profit before tax decreased by 24.65% to RM2.813 million as against preceding corresponding year's quarter of RM3.733 million.

Excluding the gain on disposal of land and impairment loss of goodwill recorded in the preceding corresponding year's quarter, the Group's profit before tax for the current quarter has increased mainly due to the reduction of operating expenses.

The Group's profit before tax for the financial year-to-date has increased due to the increase in revenue and reduction of operating expenses

Environmental products and services

This segment is the main contributor for the financial period ended 30 June 2015 as it comprised 86.8% of the total revenue.

For the financial period ended 30 June 2015, the revenue in environmental products and services increased by RM1.912 million or 19.59% to RM11.672 million as compared to RM9.760 million reported in the corresponding financial period ended 30 June 2014. The profit before tax for the financial period ended 30 June 2015 increased by RM0.26 million or 12.6% to RM2.324 million as compared to RM2.064 million reported in the corresponding financial period ended 30 June 2014.

System equipment and ancillary products

This segment comprised 13.2% of the total revenue for the financial period ended 30 June 2015.

For the financial period ended 30 June 2015, the revenue in system equipment and ancillary products reduced by RM0.448 million or 20.37% to RM1.751 million as compared to RM2.199 million reported in the corresponding financial period ended 30 June 2014. The profit before tax for the financial period ended 30 June 2015 increased by RM0.425 million or 5,312.5% to RM0.433 million as compared to RM0.008 million reported in the corresponding financial period ended 30 June 2014.

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 30.06.2015	Immediate Preceding Quarter 31.03.2015	Variation	
	RM'000	RM'000	RM'000	%
Revenue	6,250	6,904	(654)	(9.5%)
Profit before tax	1,427	1,386	41	3.0%

For the current quarter under review, the Group recorded lower revenue of RM6.25 million, representing an decrease of 9.5% from the immediate preceding quarter's revenue of RM6.904 million. The Group's profit before tax for the current quarter increased by 3.0% to RM1.427 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 under review.

B5 Taxation

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

	Individual Quarter		Cumulative Quarters	
	Current Year Quarter 30.06.2015 RM'000	Preceding Year Corresponding Quarter 30.06.2014 RM'000	Current Year -To- Date 30.06.2015 RM'000	Preceding Year-To-Date 30.06.2014 RM'000
Income and deferred tax				
-Current	360	255	706	607
-(Over)/under provision in prior year	(1)	(2)	(1)	(2)
	<u>359</u>	<u>253</u>	<u>705</u>	<u>605</u>

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

	Current Year Quarter 30.06.2015 (Unaudited) RM'000	Current Year-To- Date 30.06.2015 (Unaudited) RM'000
Other operating income:		
Rental income	-	34
Bad debts recovered	2	19
Operating expenses:		
Depreciation on property, plant and equipment	185	372
Impairment loss on trade receivables	9	9
Foreign exchange loss	17	3

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 30.06.2015 RM'000
Short term borrowings (Secured)	179
Long term borrowings (Secured)	1,204
Total	<u>1,383</u>

Bank overdraft of RM 0.095 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 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.

BRITE-TECH BERHAD (550212-U)
(Incorporated in Malaysia)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE 2ND QUARTER ENDED 30 JUNE 2015

B10 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 30.06.2015	Preceding Year Corresponding Quarter 30.06.2014	Current Year-To- Date 30.06.2015	Preceding Year-To-Date 30.06.2014
Profits attributable to owners of the Company (RM'000)	1,034	2,133	2,051	3,112
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	0.41	0.85	0.81	1.23
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.

B11 Dividends Payable

The Board of Directors has declared an interim single-tier dividend on ordinary share of 0.63 sen per share amounting to RM1,587,600 in respect of the financial year ending 31 December 2015 and will be paid by the Company on 28 September 2015 to shareholders whose names appear in the Register of Depositors at the close of business on 15 September 2015.

B12 Realised and Unrealised Retained Profits

The retained profits of the Group is analysed as follows:

	As at 30.06.2015 (Unaudited) RM'000	As at 31.12.2014 (Audited) RM'000
Total retained profits of Company and its subsidiaries:		
- Realised	23,405	22,680
- Unrealised	1,147	1,353
	<u>24,552</u>	<u>24,033</u>
Less: Consolidation adjustments	(9,572)	(9,516)
Total Group retained profits as per consolidated accounts	<u>14,980</u>	<u>14,517</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.

BY ORDER OF THE BOARD

Wong Maw Chuan (MIA 7413)
Wong Youn Kim (MAICSA 7018778)
Company Secretaries
Kuala Lumpur
27 August 2015