

BRITE-TECH BERHAD

Company no. 550212-U
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2016

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CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 1ST QUARTER ENDED 31 MARCH 2016

	<---- Individual Quarter ---->		<---- Cumulative Quarters ---->	
	Current Quarter Ended 31.03.2016 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 31.03.2015 (Unaudited) RM'000	Current Year-To-Date 31.03.2016 (Unaudited) RM'000	Preceding Year-To-Date 31.03.2015 (Unaudited) RM'000
Revenue	8,994	6,904	8,994	6,904
Operating expenses	(6,858)	(5,707)	(6,858)	(5,707)
Other operating income	306	70	306	70
Profit from operating activities	2,442	1,267	2,442	1,267
Impairment loss of goodwill	-	-	-	-
Finance income	69	133	69	133
Finance costs	(26)	(14)	(26)	(14)
Profit before tax	2,485	1,386	2,485	1,386
Taxation	(625)	(346)	(625)	(346)
Profit for the period	1,860	1,040	1,860	1,040
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	1,860	1,040	1,860	1,040
Total comprehensive income for the period				
Owners of the Company	1,822	1,017	1,822	1,017
Non-controlling interests	38	23	38	23
	<u>1,860</u>	<u>1,040</u>	<u>1,860</u>	<u>1,040</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>0.72</u>	<u>0.40</u>	<u>0.72</u>	<u>0.40</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 2015.)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	As at End of Current Year Quarter 31.03.2016 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2015 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	21,408	21,238
Investment properties	17,445	17,423
Deffered taxation	150	150
Goodwill on consolidation	1,168	1,168
Total Non-Current Assets	40,171	39,979
Current Assets		
Inventories	1,487	1,389
Trade and other receivables	12,976	10,549
Tax recoverable	92	137
Short-term investments	7,683	5,761
Fixed deposits with licensed banks	551	754
Cash and bank balances	4,569	2,828
Total Current Assets	27,358	21,418
TOTAL ASSETS	67,529	61,397
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	29,777	27,955
	54,977	53,155
Non-controlling interests	835	797
Total Equity	55,812	53,952
Non-Current Liabilities		
Long term borrowings (secured)	3,272	1,018
Deferred taxation	2,298	2,298
	5,570	3,316
Current Liabilities		
Trade and other payables	4,831	3,479
Amount due to directors	118	128
Bank overdraft	87	99
Short term borrowings (secured)	668	241
Provision for taxation	443	182
	6,147	4,129
Total Liabilities	11,717	7,445
TOTAL EQUITY AND LIABILITIES	67,529	61,397
Net assets per share attributable to owners of the Company (RM)	0.22	0.21

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 1ST QUARTER ENDED 31 MARCH 2016

	<----- 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>3 Months Ended 31 March 2016</u>						
<u>(Unaudited)</u>						
Balance as at 1 January 2016	25,200	11,895	16,060	53,155	797	53,952
Total comprehensive income for the financial period	-	-	1,822	1,822	38	1,860
Balance as at 31 March 2016	<u>25,200</u>	<u>11,895</u>	<u>17,882</u>	<u>54,977</u>	<u>835</u>	<u>55,812</u>
<u>3 Months Ended 31 March 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	-	-	1,017	1,017	23	1,040
Balance as at 31 March 2015	<u>25,200</u>	<u>6,491</u>	<u>15,534</u>	<u>47,225</u>	<u>738</u>	<u>47,963</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015.)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 1ST QUARTER ENDED 31 MARCH 2016

	3 Months Period Ended 31.03.2016 (Unaudited) RM'000	3 Months Corresponding Period Ended 31.03.2015 (Unaudited) RM'000
Cash flows from operating activities		
Profit before taxation	2,485	1,386
Adjustments for:		
Depreciation on property, plant and equipment	194	187
Loss on disposal of property, plant and equipment	-	15
Finance costs	26	14
Finance income	(69)	(133)
Operating profit before working capital changes	<u>2,636</u>	<u>1,469</u>
Changes in working capital:		
Inventories	(98)	(334)
Trade & other receivables	(2,427)	(1,293)
Trade & other payables	1,342	600
Cash from operations	<u>1,453</u>	<u>442</u>
Interest paid	(26)	(14)
Income tax paid	(319)	(312)
Net cash from operating activities	<u>1,108</u>	<u>116</u>
Cash flows from investing activities		
Interest received	69	133
Purchase of property, plant and equipment	(387)	(56)
Proceeds from disposal of property, plant and equipment	1	106
Net cash (used in) / from investing activities	<u>(317)</u>	<u>183</u>
Cash flows from financing activities		
Proceeds from hire purchase/bank borrowings	2,733	-
Repayments of bank borrowings	(52)	(56)
Net cash from / (used in) financing activities	<u>2,681</u>	<u>(56)</u>
Net changes in cash and cash equivalents	3,472	243
Cash and cash equivalent at beginning of period	<u>9,244</u>	<u>17,502</u>
Cash and cash equivalent at end of period	<u>12,716</u>	<u>17,745</u>
Cash and cash equivalents comprise the following:		
Short-term investments	7,683	12,539
Fixed deposits with licensed banks	551	2,628
Cash and bank balances	4,569	2,676
Bank overdraft	(87)	(98)
Cash and cash equivalents at end of the period	<u>12,716</u>	<u>17,745</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015.)

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

A1 Basis of preparation

The unaudited interim financial statements for the 1st quarter ended 31 March 2016 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 2015. 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 2015.

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 2015, except for the adoption of the following MFRSs and Amendments to MFRSs during the current financial period:

MFRS 14	Regulatory Deferral Accounts
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to MFRS 101	Disclosure Initiative
Amendments to MFRS 116 & MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to MFRS 116 & MFRS 141	Agriculture: Bearer Plants
Amendments to MFRS 10, MFRS 12 & MFRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to MFRS 127	Equity Method in Separate Financial Statements
Annual improvements to MFRSs 2012-2014 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 2017

Amendments to MFRS 107	Disclosure Initiative
Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses

Effective for financial periods beginning on or after 1 January 2018

MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers

Effective for financial periods beginning on or after 1 January 2019

MFRS 16	Leases
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Effective date to be determined by Malaysia Accounting Standards Board

Amendments to MFRS10 & MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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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 2015 was not qualified.

A3 Comments About Seasonal or Cyclical Factors

The Group's principal business is not significantly affected by seasonality or cyclical 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

There was no dividend paid nor declared for the current quarter under review.

BRITE-TECH BERHAD (550212-U)
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NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE 1ST QUARTER ENDED 31 MARCH 2016

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 31 March 2016 by the respective operating segments are as follows:

<u>Financial Period Ended 31.03.2016</u>	Environmental products and services	System equipment and ancillary products	Investments	Inter-segment Eliminations	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE					
External revenue	5,913	3,081	-	-	8,994
Inter-segment revenue	96	1	361	(458)	-
Total revenue	<u>6,009</u>	<u>3,082</u>	<u>361</u>	<u>(458)</u>	<u>8,994</u>
RESULT					
Segment results (external)	1,528	879	35	-	2,442
Finance income	36	9	24	-	69
Finance costs	(26)	-	-	-	(26)
Profit before taxation	<u>1,538</u>	<u>888</u>	<u>59</u>	<u>-</u>	<u>2,485</u>
Taxation					(625)
Total comprehensive income for the period					<u>1,860</u>
Non-controlling interests					(38)
Profit attributable to Owners of the Company					<u><u>1,822</u></u>

<u>Financial Period Ended 31.03.2015</u>	Environmental products and services	System equipment and ancillary products	Investments	Inter-segment Eliminations	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE					
External revenue	6,063	841	-	-	6,904
Inter-segment revenue	183	9	322	(514)	-
Total revenue	<u>6,246</u>	<u>850</u>	<u>322</u>	<u>(514)</u>	<u>6,904</u>
RESULT					
Segment results (external)	1,132	201	(66)	-	1,267
Finance income	51	11	71	-	133
Finance costs	(14)	-	-	-	(14)
Profit before taxation	<u>1,169</u>	<u>212</u>	<u>5</u>	<u>-</u>	<u>1,386</u>
Taxation					(346)
Total comprehensive income for the period					<u>1,040</u>
Non-controlling interests					(23)
Profit attributable to Owners of the Company					<u><u>1,017</u></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

There were no material events subsequent to the end of the reporting date that require disclosure or adjustments to the unaudited interim financial statements.

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 31 March 2016; 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 2015.

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:

	31.03.2016
	(Unaudited)
	RM '000
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	<u><u>2,270</u></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 31.03.2016	Cumulative Year To Date 31.03.2016
	RM'000	RM'000
The Group has the following inter companies transactions:		
Management fees	<u>361</u>	<u>361</u>
Rental	<u>46</u>	<u>46</u>
Revenue	<u>97</u>	<u>97</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 and financial year-to-date ended 31 March 2016 showed an increase of 30.27% to RM8.994 million from RM6.904 million in the preceding corresponding year's quarter. The Group's profit before tax increased by 79.29% to RM2.485 million as against preceding corresponding year's quarter of RM1.386 million. The increase in the Group's profit is mainly due to higher revenue achieved.

Environmental products and services

This segment is the main contributor for the financial period ended 31 March 2016 as it comprised 65.75% of the total revenue.

For the financial period ended 31 March 2016, the revenue in environmental products and services decreased slightly by RM0.24 million or 3.79% to RM6.009 million as compared to RM6.246 million reported in the corresponding financial period ended 31 March 2015. The profit before tax for the financial period ended 31 March 2016 increased by RM0.369 million or 31.57% to RM1.538 million as compared to RM1.169 million reported in the corresponding financial period ended 31 March 2015.

System equipment and ancillary products

This segment comprised 34.25% of the total revenue for the financial period ended 31 March 2016.

For the financial period ended 31 March 2016, the revenue in system equipment and ancillary products increased by RM2.23 million or 262.59% to RM3.082 million as compared to RM0.850 million reported in the corresponding financial period ended 31 March 2015. The profit before tax for the financial period ended 31 March 2016 increased by RM0.676 million or 318.87% to RM0.888 million as compared to RM0.212 million reported in the corresponding financial period ended 31 March 2015.

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 31.03.2016	Immediate Preceding Quarter 31.12.2015	Variation	
	RM'000	RM'000	RM'000	%
Revenue	8,994	6,827	2,167	31.7%
Profit before tax	2,485	2,041	444	21.8%

For the current quarter under review, the Group recorded a higher revenue of RM8.994 million, representing a increase of 31.7% from the immediate preceding quarter's revenue of RM6.827 million. The Group's profit before tax for the current quarter increased by 21.8% to RM2.485 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	Preceding Year	Current Year -To-	Preceding
	Quarter	Corresponding	Date	Year-To-Date
	31.03.2016	Quarter	31.03.2016	31.03.2015
	RM'000	31.03.2015	RM'000	RM'000
		RM'000		RM'000
Income and deferred tax				
-Current	625	346	625	346

The Group's effective tax rate for the current quarter was slightly higher than the statutory tax rate mainly due to certain expenses are not deductible for tax purposes.

B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income

	Current Year	Current Year-To-
	Quarter	Date
	31.03.2016	31.03.2016
	(Unaudited)	(Unaudited)
	RM'000	RM'000
Other operating income:		
Rental income	84	84
Bad debts recovered	155	155
Foreign exchange gain	47	47
Operating expenses:		
Depreciation on property, plant and equipment	194	194

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
	31.03.2016
	RM'000
Short term borrowings (Secured)	755
Long term borrowings (Secured)	3,272
Total	4,027

Bank overdraft of RM 0.087 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.

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 31.03.2016	Preceding Year Corresponding Quarter 31.03.2015	Current Year-To- Date 31.03.2016	Preceding Year-To-Date 31.03.2015
Profits attributable to owners of the Company (RM'000)	1,822	1,017	1,822	1,017
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	0.72	0.40	0.72	0.40
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

- a) No dividend has been proposed for the financial period ended 31 March 2016.
- b) A final single-tier dividend on ordinary share of 0.63 sen per share (2014: 0.63 sen per share) amounting to RM1,587,600 in respect of the financial year ended 31 December 2015 was approved by the shareholders at the Company's Annual General Meeting held on 27 May 2016 and will be paid by the Company on 23 June 2016 to shareholders whose names appear in the Register of Depositors at the close of business on 15 June 2016.

B12 Realised and Unrealised Retained Profits

The retained profits of the Group is analysed as follows:

	As at 31.03.2016 (Unaudited) RM'000	As at 31.12.2015 (Audited) RM'000
Total retained profits of Company and its subsidiaries:		
- Realised	25,681	23,822
- Unrealised	1,422	1,422
	<u>27,103</u>	<u>25,244</u>
Less: Consolidation adjustments	(9,221)	(9,184)
Total Group retained profits as per consolidated accounts	<u>17,882</u>	<u>16,060</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 May 2016