

BRITE-TECH BERHAD

Company no. 550212-U
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2017

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**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2017**

	<---- Individual Quarter ---->		<---- Cumulative Quarters ---->	
	Current Quarter Ended 30.09.2017 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 30.09.2016 (Unaudited) RM'000	Current Year-To-Date 30.09.2017 (Unaudited) RM'000	Preceding Year-To-Date 30.09.2016 (Unaudited) RM'000
Revenue	7,210	8,333	20,039	24,202
Operating expenses	(5,818)	(6,755)	(15,807)	(18,918)
Other operating income	132	38	465	559
Profit from operating activities	1,524	1,616	4,697	5,843
Impairment loss of goodwill	-	-	-	-
Finance income	55	59	172	208
Finance costs	(27)	(40)	(157)	(114)
Profit before tax	1,552	1,635	4,712	5,937
Taxation	(367)	(380)	(1,198)	(1,443)
Profit for the period	1,185	1,255	3,514	4,494
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	1,185	1,255	3,514	4,494
Total comprehensive income for the period				
Owners of the Company	1,151	1,252	3,522	4,439
Non-controlling interests	34	3	(8)	55
	<u>1,185</u>	<u>1,255</u>	<u>3,514</u>	<u>4,494</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>0.46</u>	<u>0.50</u>	<u>1.40</u>	<u>1.76</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 2016.)

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

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017

	As at End of Current Year Quarter 30.09.2017 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2016 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	23,110	23,916
Investment properties	23,706	22,309
Deferred taxation	33	33
Goodwill on consolidation	968	968
Total Non-Current Assets	47,817	47,226
Current Assets		
Inventories	1,321	1,366
Trade and other receivables	9,322	8,682
Tax recoverable	223	292
Short-term investments	5,407	6,002
Fixed deposits with licensed banks	-	100
Cash and bank balances	4,853	4,258
Total Current Assets	21,126	20,700
TOTAL ASSETS	68,943	67,926
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	28,908	29,418
	54,108	54,618
Non-controlling interests	851	859
Total Equity	54,959	55,477
Non-Current Liabilities		
Long term borrowings (secured)	6,538	5,166
Deferred taxation	2,321	2,321
	8,859	7,487
Current Liabilities		
Trade and other payables	3,831	3,469
Amount due to directors	26	20
Bank overdraft	99	93
Short term borrowings (secured)	909	1,322
Provision for taxation	260	58
	5,125	4,962
Total Liabilities	13,984	12,449
TOTAL EQUITY AND LIABILITIES	68,943	67,926
Net assets per share attributable to owners of the Company (RM)	0.22	0.22

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2016.)

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 3RD QUARTER ENDED 30TH SEPTEMBER 2017

	<----- Attributable to owners of the Company ----->						
	<---- Non-distributable---->		<-Distributable ->		Total Shareholders' Equity RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Revaluation Reserves RM'000	Retained Profits RM'000	Retained Profits RM'000			
<u>9 Months Ended 30 September 2017 (Unaudited)</u>							
Balance as at 1 January 2017	25,200	11,895	17,523	17,523	54,618	859	55,477
Total comprehensive income for the financial period	-	-	3,522	3,522	3,522	(8)	3,514
Dividend paid in respect of financial year ended 31 December 2016	-	-	(2,016)	(2,016)	(2,016)	-	(2,016)
Interim dividend paid in 28 September 2017	-	-	(2,016)	(2,016)	(2,016)	-	(2,016)
Balance as at 30 September 2017	<u>25,200</u>	<u>11,895</u>	<u>17,013</u>	<u>17,013</u>	<u>54,108</u>	<u>851</u>	<u>54,959</u>
<u>9 Months Ended 30 September 2016 (Unaudited)</u>							
Balance as at 1 January 2016	25,200	11,895	16,060	16,060	53,155	797	53,952
Total comprehensive income for the financial period	-	-	4,439	4,439	4,439	55	4,494
Dividend paid in respect of financial year ended 31 December 2015	-	-	(1,588)	(1,588)	(1,588)	-	(1,588)
Interim dividend paid in 28 September 2016	-	-	(1,840)	(1,840)	(1,840)	-	(1,840)
Balance as at 30 September 2016	<u>25,200</u>	<u>11,895</u>	<u>17,071</u>	<u>17,071</u>	<u>54,166</u>	<u>852</u>	<u>55,018</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2016.)

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2017

	9 Months Period Ended 30.09.2017 (Unaudited) RM'000	9 Months Corresponding Period Ended 30.09.2016 (Unaudited) RM'000
Cash flows from operating activities		
Profit before taxation	4,712	5,937
Adjustments for:		
Depreciation on property, plant and equipment	712	592
Loss on disposal of property, plant and equipment	-	10
Property, plant and equipment written off	2	-
Finance costs	157	114
Finance income	(172)	(208)
Operating profit before working capital changes	<u>5,411</u>	<u>6,445</u>
Changes in working capital:		
Inventories	45	(170)
Trade & other receivables	(640)	(1,888)
Trade & other payables	362	(374)
Cash from operations	<u>5,178</u>	<u>4,013</u>
Interest paid	(157)	(114)
Income tax paid	(927)	(1,150)
Net cash from operating activities	<u>4,094</u>	<u>2,749</u>
Cash flows from investing activities		
Interest received	172	208
Purchase of property, plant and equipment	(1,305)	(3,856)
Proceeds from disposal of property, plant and equipment	-	5
Net cash used in investing activities	<u>(1,133)</u>	<u>(3,643)</u>
Cash flows from financing activities		
Repayments to directors	6	-
Drawdown of loan and borrowings, net of repayment	959	4,736
Dividend paid to owners of the Company	(4,032)	(3,428)
Net cash (used in)/from financing activities	<u>(3,067)</u>	<u>1,308</u>
Net changes in cash and cash equivalents	(106)	414
Cash and cash equivalent at beginning of period	<u>10,267</u>	<u>9,245</u>
Cash and cash equivalent at end of period	<u>10,161</u>	<u>9,659</u>
Cash and cash equivalents comprise the following:		
Short-term investments	5,407	5,611
Cash and bank balances	4,853	4,139
Bank overdraft	(99)	(91)
Cash and cash equivalents at end of the period	<u>10,161</u>	<u>9,659</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2016.)

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

A1 Basis of preparation

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 2016. 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 financial year ended 31 December 2016.

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 2018

MFRS7	Financial Instruments: Disclosures
MFRS9	Financial Instruments
MFRS15	Revenue from Contracts with Customers
MFRS15	Clarifications to MFRS 15
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
Amendments to MFRS2	Classification and Measurement of Share-Based Payment Transactions
Amendments to MFRS140	Transfers of Investment Property
Annual improvements to MFRSs 2014-2016 Cycle	

Effective for financial periods beginning on or after 1 January 2019

MFRS16	Leases
IC Interpretation 23	Uncertainty over Income Tax Treatments

Effective for financial periods beginning on or after 1 January 2021

MFRS17	Insurance Contracts
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Effective date to be determined by Malaysia Accounting Standards Board

Amendments to MFRS10 & MFRS128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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A2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the year ended 31 December 2016 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 0.80 sen per share amounting to RM2,016,000 (2016: RM1,587,600) in respect of the financial year ended 31 December 2016 was approved by the shareholders at the Company's Annual General Meeting held on 22 May 2017 and has been paid by the Company on 23 June 2017 to shareholders whose names appear in the Register of Depositors at the close of business on 15 June 2017.

An interim single-tier dividend on ordinary share of 0.80 sen per share amounting to RM2,016,000 (2016: RM1,839,598) has been paid by the Company on 28 September 2017 to shareholders whose names appear in the Register of Depositors at the close of business on 15 September 2017.

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.

BRITE-TECH BERHAD (550212-U)
(Incorporated in Malaysia)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE 3RD QUARTER ENDED 30TH SEPTEMBER 2017

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 September 2017 by the respective operating segments are as follows:

Financial Period Ended 30.09.2017	Environmental	System	Investments	Inter-	Group
	products and	equipment		segment	
	services	and ancillary		Eliminations	
	RM'000	products	RM'000	RM'000	RM'000
REVENUE					
External revenue	16,840	3,199	-	-	20,039
Inter-segment revenue	262	7	1,162	(1,431)	-
Total revenue	17,102	3,206	1,162	(1,431)	20,039
RESULT					
Segment results (external)	4,156	524	17	-	4,697
Finance income	92	21	59	-	172
Finance costs	(137)	(20)	-	-	(157)
Profit before taxation	4,111	525	76	-	4,712
Taxation					(1,198)
Total comprehensive income for the period					3,514
Non-controlling interests					8
Profit attributable to Owners of the Company					3,522

Financial Period Ended 30.09.2016	Environmental	System	Investments	Inter-	Group
	products and	equipment and		segment	
	services	products		Eliminations	
	RM'000	RM'000	RM'000	RM'000	RM'000
REVENUE					
External revenue	17,107	7,095	-	-	24,202
Inter-segment revenue	315	5	1,087	(1,407)	-
Total revenue	17,422	7,100	1,087	(1,407)	24,202
RESULT					
Segment results (external)	4,370	1,449	24	-	5,843
Finance income	99	31	78	-	208
Finance costs	(114)	-	-	-	(114)
Profit before taxation	4,355	1,480	102	-	5,937
Taxation					(1,443)
Total comprehensive income for the period					4,494
Non-controlling interests					(55)
Profit attributable to Owners of the Company					4,439

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 30 September 2017; 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 2016.

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:

	30.09.2017 (Unaudited) RM'000
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	614

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 30.09.2017 RM'000	Cumulative Year To Date 30.09.2017 RM'000
The Group has the following inter companies transactions:		
Management fees	400	1,162
Rental	64	158
Revenue	86	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

	Individual Quarter				Cumulative Quarters			
	Current Quarter Ended 30.09.2017 RM'000	Preceding Year Corresponding Quarter Ended 30.09.2016 RM'000	Changes Amount RM'000	Changes %	Current Year-To-Date 30.09.2017 RM'000	Preceding Year-To-Date 30.09.2016 RM'000	Changes Amount RM'000	Changes %
Revenue	7,210	8,333	(1,123)	(13.48)	20,039	24,202	(4,163)	(17.20)
Operating Profit	1,524	1,616	(92)	(5.69)	4,697	5,843	(1,146)	(19.61)
Profit Before Tax	1,552	1,635	(83)	(5.08)	4,712	5,937	(1,225)	(20.63)
Profit After Tax	1,185	1,255	(70)	(5.58)	3,514	4,494	(980)	(21.81)
Profit Attributable to: Owners of the Company	1,151	1,252	(101)	(8.07)	3,522	4,439	(917)	(20.66)
Non-Controlling Interest	34	3	31	1,033.33	(8)	55	(63)	(114.55)

The Group's revenue for the current quarter ended 30 September 2017 showed a decrease of 13.48% to RM7.210 million from RM8.333 million in the preceding corresponding year's quarter. The Group's profit before tax decreased by 5.08% to RM1.552 million as against preceding corresponding year's quarter of RM1.635 million.

The Group's revenue for the financial year-to-date ended 30 September 2017 showed a decrease of 17.20% to RM20.039 million from RM24.202 million in the preceding corresponding year's quarter. The Group's profit before tax decreased by 20.63% to RM4.712 million as against preceding corresponding year's quarter of RM5.937 million.

The decrease in the Group's profit before tax for the current quarter and financial year-to-date were mainly due to lower revenue achieved in the system equipment and ancillary products sector.

Environmental products and services

This segment is the main contributor for the financial period ended 30 September 2017 as it comprised 84.04% of the total revenue.

For the financial period ended 30 September 2017, the revenue in environmental products and services decreased by RM0.32 million or 1.84% to RM17.102 million as compared to RM17.422 million reported in the corresponding financial period ended 30 September 2016. The profit before tax for the financial period ended 30 September 2017 decreased by RM0.244 million or 5.6% to RM4.111 million as compared to RM4.355 million reported in the corresponding financial period ended 30 September 2016.

System equipment and ancillary products

This segment comprised 15.96% of the total revenue for the financial period ended 30 September 2017.

For the financial period ended 30 June 2017, the revenue in system equipment and ancillary products decreased by RM3.894 million or 54.85% to RM3.206 million as compared to RM7.1 million reported in the corresponding financial period ended 30 June 2016. The profit before tax for the financial period ended 30 June 2017 decreased by RM0.955 million or 64.53% to RM0.525 million as compared to RM1.48 million reported in the corresponding financial period ended 30 September 2016.

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 30.09.2017 RM'000	Immediate Preceding Quarter 30.06.2017 RM'000	Changes Amount RM'000	Changes %
Revenue	7,210	6,641	569	8.57
Operating Profit	1,524	1,464	60	4.10
Profit Before Tax	1,552	1,451	101	6.96
Profit After Tax	1,185	1,094	91	8.32
Profit Attributable to: Owners of the Company	1,151	1,101	50	4.54
Non-Controlling Interest	34	(7)	41	80

For the current quarter under review, the Group recorded revenue of RM7.21 million, representing a increase of 8.57% from the immediate preceding quarter's revenue of RM6.641 million. The Group's profit before tax for the current quarter increased by 6.96% to RM1.552 million as compared to the preceding quarter mainly due to higher revenue achieved.

B3 Prospects for the Financial Year 2017

The Group will continue to focus on its existing business activities and concentrate on its core competencies while at the same time, improve its operational efficiency and cost management. The Group will continue to implement various cost saving measures and stringent cost control to counter the challenges ahead and to enhance the Group's competitiveness in the Group's industry.

The Group will continue to explore and assess other viable business and investment opportunities within the same or complementary sectors and also outside the Group's industry domain for opportunities which can bring financial stability to the Group.

Barring any unforeseen circumstances, the Board of Directors is of the opinion that 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 30.09.2017 RM'000	Preceding Year Corresponding Quarter 30.09.2016 RM'000	Current Year-To-Date 30.09.2017 RM'000	Preceding Year-To-Date 30.09.2016 RM'000
Income and deferred tax				
-Current	362	349	1,148	1,425
-Under provision in prior year	5	31	50	18
	<u>367</u>	<u>380</u>	<u>1,198</u>	<u>1,443</u>

B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income

	Current Year Quarter 30.09.2017 (Unaudited) RM'000	Current Year-To-Date 30.09.2017 (Unaudited) RM'000
Other operating income:		
Rental income	77	252
Bad debts recovered	54	212
Operating expenses:		
Depreciation on property, plant and equipment	253	712
Property, plant and equipment written off	-	2

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 30.09.2017 RM'000
Short term borrowings (Secured)	1,008
Long term borrowings (Secured)	6,538
Total	<u>7,546</u>

Bank overdraft of RM 0.099 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 changes in material litigation since the immediate preceding quarter.

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	
	Preceding Year		Current Year-To-Date 30.09.2017	Preceding Year-To-Date 30.09.2016
	Current Year Quarter 30.09.2017	Corresponding Quarter 30.09.2016		
Profits attributable to owners of the Company (RM'000)	<u>1,151</u>	<u>1,252</u>	<u>3,522</u>	<u>4,439</u>
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	<u>0.46</u>	<u>0.50</u>	<u>1.40</u>	<u>1.76</u>
Diluted earnings per share (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

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 of the Company does not recommend any dividend for the current quarter under review.

B12 Realised and Unrealised Retained Profits

The retained profits of the Group is analysed as follows:

	As at 30.09.2017 (Unaudited) RM'000	As at 31.12.2016 (Audited) RM'000
Total retained profits of Company and its subsidiaries:		
- Realised	27,116	25,467
- Unrealised	1,256	1,256
	28,372	26,723
Less: Consolidation adjustments	(11,359)	(9,200)
Total Group retained profits as per consolidated accounts	17,013	17,523

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 (f) (MAICSA 7018778)
Lee Chin Wen (f) (MAICSA 7061168)
Company Secretaries
21 November 2017