

BRITE-TECH BERHAD

Company no. 550212-U
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2018

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CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 1ST QUARTER ENDED 31 MARCH 2018

	<---- Individual Quarter ---->		<---- Cumulative Quarters ---->	
	Current Quarter Ended 31.03.2018 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 31.03.2017 (Unaudited) RM'000	Current Year-To-Date 31.03.2018 (Unaudited) RM'000	Preceding Year-To-Date 31.03.2017 (Audited) RM'000
Revenue	6,900	6,188	6,900	6,188
Operating expenses	(5,356)	(4,661)	(5,356)	(4,661)
Other operating income	253	182	253	182
Profit from operating activities	1,797	1,709	1,797	1,709
Impairment loss of goodwill	-	-	-	-
Finance income	51	60	51	60
Finance costs	(92)	(60)	(92)	(60)
Profit before tax	1,756	1,709	1,756	1,709
Taxation	(446)	(474)	(446)	(474)
Profit for the period	1,310	1,235	1,310	1,235
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	1,310	1,235	1,310	1,235
Total comprehensive income for the period				
Owners of the Company	1,305	1,270	1,305	1,270
Non-controlling interests	5	(35)	5	(35)
	<u>1,310</u>	<u>1,235</u>	<u>1,310</u>	<u>1,235</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>0.52</u>	<u>0.50</u>	<u>0.52</u>	<u>0.50</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 2017.)

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

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	As at End of Current Year Quarter 31.03.2018 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2017 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	39,004	38,436
Investment properties	9,830	9,830
Deferred taxation	39	33
Goodwill on consolidation	768	768
Total Non-Current Assets	49,641	49,067
Current Assets		
Inventories	1,030	1,146
Trade and other receivables	9,533	8,045
Tax recoverable	333	221
Short-term investments	5,399	5,834
Cash and bank balances	5,195	4,869
Total Current Assets	21,490	20,115
TOTAL ASSETS	71,131	69,182
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	30,688	29,383
	55,888	54,583
Non-controlling interests	878	873
Total Equity	56,766	55,456
Non-Current Liabilities		
Long term borrowings (secured)	6,963	7,052
Deferred taxation	2,710	2,490
	9,673	9,542
Current Liabilities		
Trade and other payables	3,134	2,894
Amount due to directors	-	17
Bank overdraft	99	99
Short term borrowings (secured)	1,240	1,064
Provision for taxation	219	110
	4,692	4,184
Total Liabilities	14,365	13,726
TOTAL EQUITY AND LIABILITIES	71,131	69,182
Net assets per share attributable to owners of the Company (RM)	0.23	0.22

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2017.)

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 1ST QUARTER ENDED 31 MARCH 2018

	<----- 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				
<u>3 Months Ended 31 March 2018</u>							
<u>(Unaudited)</u>							
Balance as at 1 January 2018	25,200	11,895	17,488		54,583	873	55,456
Total comprehensive income for the financial period	-	-	1,305		1,305	5	1,310
Balance as at 31 December 2017	<u>25,200</u>	<u>11,895</u>	<u>18,793</u>		<u>55,888</u>	<u>878</u>	<u>56,766</u>
<u>3 Months Ended 31 March 2017</u>							
<u>(Audited)</u>							
Balance as at 1 January 2017	25,200	11,895	17,523		54,618	859	55,477
Total comprehensive income for the financial period	-	-	1,270		1,270	(35)	1,235
Balance as at 31 March 2017	<u>25,200</u>	<u>11,895</u>	<u>18,793</u>		<u>55,888</u>	<u>824</u>	<u>56,712</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2017.)

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 1ST QUARTER ENDED 31 MARCH 2018

	3 Months Period Ended 31.03.2018 (Unaudited) RM'000	3 Months Corresponding Period Ended 31.03.2017 (Audited) RM'000
Cash flows from operating activities		
Profit before taxation	1,756	1,709
Adjustments for:		
Depreciation on property, plant and equipment	266	227
Finance costs	92	60
Finance income	(51)	(60)
Operating profit before working capital changes	<u>2,063</u>	<u>1,938</u>
Changes in working capital:		
Inventories	116	(87)
Trade & other receivables	(1,387)	318
Trade & other payables	415	(812)
Cash from operations	<u>1,207</u>	<u>1,357</u>
Interest paid	(92)	(60)
Income tax paid	(445)	(364)
Net cash from operating activities	<u>670</u>	<u>933</u>
Cash flows from investing activities		
Interest received	51	60
Purchase of property, plant and equipment	(905)	(723)
Proceeds from disposal of property, plant and equipment	(9)	-
Net cash used in investing activities	<u>(863)</u>	<u>(663)</u>
Cash flows from financing activities		
Drawdown of loan and borrowings, net of repayment	84	(193)
Net cash (used in)/from financing activities	<u>84</u>	<u>(193)</u>
Net changes in cash and cash equivalents	(109)	77
Cash and cash equivalent at beginning of period	<u>10,604</u>	<u>10,266</u>
Cash and cash equivalent at end of period	<u>10,495</u>	<u>10,343</u>
Cash and cash equivalents comprise the following:		
Short-term investments	5,399	4,714
Cash and bank balances	5,195	5,724
Bank overdraft	(99)	(95)
Cash and cash equivalents at end of the period	<u>10,495</u>	<u>10,343</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2017.)

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 2017. 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 2017.

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:

Amendments to published standards that are effective and applicable for the Group's financial year beginning on 1 January 2018

The amendments to published standards issued by MASB that are effective and applicable for the Group's financial year beginning on 1 January 2018 are as follows:

MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014) (with subsequent amendments)
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 2	Classification and Measurement of Share based Payment Transactions
Annual Improvements to MFRS 128	Investment in Associates and Joint Ventures
Amendments to MFRS 140	Transfers of Investment Property

The adoption of the above amendments to published standards does not have any material impact to the Group's financial result, position or disclosure for the current or previous periods nor any of the Group's significant accounting policies.

Effective for financial periods beginning on or after 1 January 2019

Amendments to MFRS 3, 11, 112 and 123	Annual Improvements to MFRS Standards 2015 to 2017 Cycle
Amendments to MFRS 9	Prepayment Features with Negative Compensation
MFRS 16	Leases
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement (Employee Benefits)
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
IC Interpretation 23	Uncertainty Over Income Tax Treatments

Effective for annual periods to be announced by MASB

MFRS 2, 3, 6, 14, 101, 108, 134, 137, 138 & IC Interpretations 12, 14, 21, 22	Amendments to References to the Conceptual Framework in MFRS Standards
Amendments to MFRS 10 and 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The adoption of the above applicable new standards, IC Interpretation and amendments to published standards are not expected to have a material impact on the financial statements of the Group.

A2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the year ended 31 December 2017 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.

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 1ST QUARTER ENDED 31 MARCH 2018

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 2018 by the respective operating segments are as follows:

<u>Financial Period Ended 31.03.2018</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	5,991	909	-	-	6,900
Inter-segment revenue	72	-	400	(472)	-
Total revenue	<u>6,063</u>	<u>909</u>	<u>400</u>	<u>(472)</u>	<u>6,900</u>
RESULT					
Segment results (external)	1,709	46	42	-	1,797
Finance income	31	10	10	-	51
Finance costs	(75)	(17)	-	-	(92)
Profit before taxation	<u>1,665</u>	<u>39</u>	<u>52</u>	<u>-</u>	<u>1,756</u>
Taxation					(446)
Total comprehensive income for the period					<u>1,310</u>
Non-controlling interests					(5)
Profit attributable to Owners of the Company					<u>1,305</u>

<u>Financial Period Ended 31.03.2017</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	5,061	1,127	-	-	6,188
Inter-segment revenue	74	3	361	(438)	-
Total revenue	<u>5,135</u>	<u>1,130</u>	<u>361</u>	<u>(438)</u>	<u>6,188</u>
RESULT					
Segment results (external)	1,398	329	(18)	-	1,709
Finance income	30	5	25	-	60
Finance costs	(60)	-	-	-	(60)
Profit before taxation	<u>1,368</u>	<u>334</u>	<u>7</u>	<u>-</u>	<u>1,709</u>
Taxation					(474)
Total comprehensive income for the period					<u>1,235</u>
Non-controlling interests					35
Profit attributable to Owners of the Company					<u>1,270</u>

A9 Valuations of Investment Properties

There were no valuation undertaken for the Group's investment properties 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 31st March 2018; 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 2017.

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:

	31.03.2018
	(Unaudited)
	RM'000
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	<u>469</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 31.03.2018 RM'000	Cumulative Year To Date 31.03.2018 RM'000
The Group has the following inter companies transactions:		
Management fees	<u>400</u>	<u>400</u>
Rental	<u>53</u>	<u>53</u>
Revenue	<u>73</u>	<u>73</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

	Individual Quarter				Cumulative Quarters			
	Current Quarter Ended 31.03.2018 RM'000	Preceding Year Corresponding Quarter Ended 31.03.2017 RM'000	Changes Amount RM'000	Changes %	Current Year-To-Date 31.03.2018 RM'000	Preceding Year-To-Date 31.03.2017 RM'000	Changes Amount RM'000	Changes %
Revenue	6,900	6,188	712	11.51	6,900	6,188	712	11.51
Operating Profit	1,797	1,709	88	5.15	1,797	1,709	88	5.15
Profit Before Tax	1,756	1,709	47	2.75	1,756	1,709	47	2.75
Profit After Tax	1,310	1,235	75	6.07	1,310	1,235	75	6.07
Profit Attributable to: Owners of the Company	1,305	1,270	35	2.76	1,305	1,270	35	2.76
Non-Controlling Interest	5	(35)	40	(114.29)	5	(35)	40	(114.29)

The Group's revenue for the current quarter and financial year-to-date ended 31 March 2018 showed an increase of 11.51% to RM6.900 million from RM6.188 million in the preceding corresponding year's quarter and financial year-to-date. The Group's profit before tax increased by 2.75% to RM1.756 million as against preceding corresponding year's quarter of RM1.709 million.

The increase in the Group's profit before tax for the current quarter and financial year-to-date was mainly due to higher revenue achieved.

Environmental products and services

This segment is the main contributor for the financial period ended 31 March 2018 as it comprised 86.83% of the total revenue.

For the financial period ended 31 March 2018, the revenue in environmental products and services increased by RM0.928 million or 18.07% to RM6.063 million as compared to RM5.135 million reported in the corresponding financial period ended 31 March 2017. The profit before tax for the financial period ended 31 March 2018 increased by RM0.297 million or 21.71% to RM1.665 million as compared to RM1.368 million reported in the corresponding financial period ended 31 March 2017.

System equipment and ancillary products

This segment comprised 13.17% of the total revenue for the financial period ended 31 March 2018.

For the financial period ended 31 March 2018, the revenue in system equipment and ancillary products decreased by RM0.221 million or 19.56% to RM0.9 million as compared to RM1.13 million reported in the corresponding financial period ended 31 March 2017. The profit before tax for the financial period ended 31 March 2018 decreased by RM0.295 million or 88.32% to RM0.039 million as compared to RM0.334 million reported in the corresponding financial period ended 31 March 2017.

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 31.03.2018 RM'000	Immediate Preceding Quarter 31.12.2017 RM'000	Changes Amount RM'000	Changes %
Revenue	6,900	5,721	1,179	20.61
Operating Profit	1,797	1,011	786	77.74
Profit Before Tax	1,756	826	930	112.59
Profit After Tax	1,310	498	812	163.05
Profit Attributable to: Owners of the Company	1,305	476	829	174.16
Non-Controlling Interest	5	22	(17)	80

For the current quarter under review, the Group recorded revenue of RM6.900 million, representing a increase of 20.61% from the immediate preceding quarter's revenue of RM5.721 million. The Group's profit before tax for the current quarter increased by 112.59% to RM0.93 million as compared to the preceding quarter.

B3 Prospects for the Financial Year 2018

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 31.03.2018 RM'000	Preceding Year Corresponding Quarter 31.03.2017 RM'000	Current Year-To-Date 31.03.2018 RM'000	Preceding Year-To-Date 31.03.2017 RM'000
Income and deferred tax				
-Current	271	317	271	317
-Under provision in prior year	-	11	-	11
	<u>271</u>	<u>328</u>	<u>271</u>	<u>328</u>

B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income

	Current Year Quarter 31.03.2018 (Unaudited) RM'000	Current Year-To-Date 31.03.2018 (Unaudited) RM'000
Other operating income:		
Rental income	53	53
Bad debts recovered	46	46
Operating expenses:		
Depreciation on property, plant and equipment	266	266

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 31.03.2018 RM'000
Short term borrowings (Secured)	1,339
Long term borrowings (Secured)	6,963
Total	<u>8,302</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	
	Current Year Quarter 31.03.2018	Preceding Year Corresponding Quarter 31.03.2017	Current Year-To-Date 31.03.2018	Preceding Year-To-Date 31.03.2017
Profits attributable to owners of the Company (RM'000)	<u>1,305</u>	<u>1,270</u>	<u>1,305</u>	<u>1,270</u>
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	<u>0.52</u>	<u>0.50</u>	<u>0.52</u>	<u>0.50</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

- a) No dividend has been proposed for the financial period ended 31 March 2018.
- b) A final single-tier dividend on ordinary share of 0.80 sen per share (2017: 0.80 sen per share) amounting to RM2,016,000 in respect of the financial year ended 31 December 2017 was approved by the shareholders at the Company's Annual General Meeting held on 23 May 2018 and will be paid by the Company on 22 June 2018 to shareholders whose names appear in the Register of Depositors at the close of business on 14 June 2018.

B12 Realised and Unrealised Retained Profits

The retained profits of the Group is analysed as follows:

	As at 31.03.2018 (Unaudited) RM'000	As at 31.12.2017 (Audited) RM'000
Total retained profits of Company and its subsidiaries:		
- Realised	28,795	27,582
- Unrealised	1,256	1,280
	30,051	28,862
Less: Consolidation adjustments	(11,248)	(11,374)
Total Group retained profits as per consolidated accounts	18,803	17,488

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
23 May 2018