

BRITE-TECH BERHAD

Company no. 550212-U
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2019

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**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 1ST QUARTER ENDED 31 MARCH 2019**

	<----- Individual Quarter ----->		<----- Cumulative Quarters ----->	
	Current Quarter Ended 31.03.2019 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 31.03.2018 (Unaudited) RM'000	Current Year-To-Date 31.03.2019 (Unaudited) RM'000	Preceding Year-To-Date 31.03.2018 (Unaudited) RM'000
Revenue	6,553	6,900	6,553	6,900
Operating expenses	(5,219)	(5,356)	(5,219)	(5,356)
Other operating income	241	253	241	253
Profit from operating activities	1,575	1,797	1,575	1,797
Finance income	101	51	101	51
Finance costs	(144)	(92)	(144)	(92)
Profit before tax	1,532	1,756	1,532	1,756
Taxation	(392)	(446)	(392)	(446)
Profit for the period	1,140	1,310	1,140	1,310
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	1,140	1,310	1,140	1,310
Total comprehensive income for the period				
Owners of the Company	1,133	1,305	1,133	1,305
Non-controlling interests	7	5	7	5
	1,140	1,310	1,140	1,310
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	0.45	0.52	0.45	0.52
- 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 2018.)

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

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	As at End of Current Year Quarter 31.03.2019 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2018 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	45,465	45,988
Investment properties	9,830	9,830
Deferred taxation	33	33
Goodwill on consolidation	641	641
Total Non-Current Assets	55,969	56,492
Current Assets		
Inventories	1,125	1,052
Trade and other receivables	9,121	8,806
Tax recoverable	133	393
Short-term investments	11,959	11,644
Cash and bank balances	3,906	2,828
Total Current Assets	26,244	24,723
TOTAL ASSETS	82,213	81,215
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	33,877	32,744
	59,077	57,944
Non-controlling interests	849	842
Total Equity	59,926	58,786
Non-Current Liabilities		
Long term borrowings (secured)	14,364	14,449
Deferred taxation	3,037	3,195
	17,401	17,644
Current Liabilities		
Trade and other payables	3,534	3,024
Amount due to directors	-	6
Bank overdraft	99	99
Short term borrowings (secured)	1,061	1,518
Provision for taxation	192	138
	4,886	4,785
Total Liabilities	22,287	22,429
TOTAL EQUITY AND LIABILITIES	82,213	81,215
Net assets per share attributable to owners of the Company (RM)	0.24	0.23

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018.)

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

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE 1ST QUARTER ENDED 31 MARCH 2019

	<----- Attributable to owners of the Company ----->					
	<----- Non-distributable----->		<-Distributable ->			
	Share Capital RM'000	Revaluation Reserves RM'000	Retained Profits RM'000	Total Shareholders' Equity RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<u>3 Months Ended 31 March 2019</u>						
<u>(Unaudited)</u>						
Balance as at 1 January 2019	25,200	14,987	17,757	57,944	842	58,786
Total comprehensive income for the financial period	-	-	1,133	1,133	7	1,140
Balance as at 31 March 2019	<u>25,200</u>	<u>14,987</u>	<u>18,890</u>	<u>59,077</u>	<u>849</u>	<u>59,926</u>
<u>3 Months Ended 31 March 2018</u>						
<u>(Audited)</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 March 2018	<u>25,200</u>	<u>11,895</u>	<u>18,793</u>	<u>55,888</u>	<u>878</u>	<u>56,766</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018.)

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 1ST QUARTER ENDED 31 MARCH 2019

	3 Months Period Ended 31.03.2019 (Unaudited) RM'000	3 Months Corresponding Period Ended 31.03.2018 (Unaudited) RM'000
Cash flows from operating activities		
Profit before taxation	1,532	1,756
Adjustments for:		
Bad debts written off	10	-
Depreciation on property, plant and equipment	398	266
Finance costs	144	92
Finance income	(101)	(51)
Operating profit before working capital changes	<u>1,983</u>	<u>2,063</u>
Changes in working capital:		
Inventories	73	116
Trade & other receivables	(325)	(1,387)
Trade & other payables	504	415
Cash from operations	<u>2,235</u>	<u>1,207</u>
Interest paid	(144)	(92)
Income tax paid	(78)	(445)
Net cash from operating activities	<u>2,013</u>	<u>670</u>
Cash flows from investing activities		
Interest received	101	51
Purchase of property, plant and equipment	(179)	(905)
Proceeds from disposal of property, plant and equipment	-	(9)
Net cash used in investing activities	<u>(78)</u>	<u>(863)</u>
Cash flows from financing activities		
Drawdown of loan and borrowings, net of repayment	(542)	84
Net cash (used in)/from financing activities	<u>(542)</u>	<u>84</u>
Net changes in cash and cash equivalents	1,393	(109)
Cash and cash equivalent at beginning of period	<u>14,373</u>	<u>10,604</u>
Cash and cash equivalent at end of period	<u>15,766</u>	<u>10,495</u>
Cash and cash equivalents comprise the following:		
Short-term investments	11,959	5,399
Cash and bank balances	3,906	5,195
Bank overdraft	(99)	(99)
Cash and cash equivalents at end of the period	<u>15,766</u>	<u>10,495</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2018.)

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 2018. 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 2018.

The accounting policies and presentation adopted for this unaudited interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2018, except as below:

MFRS 16	Leases
IC Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to MFRS 9	Prepayment Features with Negative Compensation
Amendments to MFRS 119	Plan Amendment, Curtailment or Settlement
Amendments to MFRS 128	Long-term Interests in Associates and Joint Ventures
Annual Improvements to MFRS Standards 2015–2017 Cycle	

The adoption of these new MFRSs do not have any significant financial impact on the financial statements of the Group for the current quarter.

A2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the year ended 31 December 2018 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

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.

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.

BRITE-TECH BERHAD (550212-U)
(Incorporated in Malaysia)
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE 1ST QUARTER ENDED 31 MARCH 2019

A8 Segmental Information

Segment revenue and segment results for the financial period ended 31 March 2019 by the respective operating segments are as follows:

<u>Financial Period Ended 31.03.2019</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	5,690	863	-	-	6,553
Inter-segment revenue	57	10	425	(492)	-
Total revenue	<u>5,747</u>	<u>873</u>	<u>425</u>	<u>(492)</u>	<u>6,553</u>
RESULT					
Segment results (external)	1,725	180	(330)	-	1,575
Finance income	53	18	30	-	101
Finance costs	(136)	(8)	-	-	(144)
Profit before taxation	<u>1,642</u>	<u>190</u>	<u>(300)</u>	<u>-</u>	<u>1,532</u>
Taxation					(392)
Total comprehensive income for the period					<u>1,140</u>
Non-controlling interests					(7)
Profit attributable to Owners of the Company					<u>1,133</u>

<u>Financial Period Ended 31.03.2018</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	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>

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 31 March 2019; 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

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 2018.

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:

	31.03.2019 (Unaudited) RM'000
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	9
- Approved but not contracted for	37

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

The Group has the following inter companies transactions:

	Current Year Quarter 31.03.2019 RM'000	Cumulative Year To Date 31.03.2019 RM'000
Management fees	425	425
Rental	43	43
Revenue	67	67

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 ----->			
	Preceding Year		Changes Amount RM'000	Changes %	Preceding		Changes Amount RM'000	Changes %
	Current Quarter Ended 31.03.2019 RM'000	Corresponding Quarter Ended 31.03.2018 RM'000			Current Year-To-Date 31.03.2019 RM'000	Year-To-Date 31.03.2018 RM'000		
Revenue	6,553	6,900	(347)	(5.03)	6,553	6,900	(347)	(5.03)
Operating Profit	1,575	1,797	(222)	(12.35)	1,575	1,797	(222)	(12.35)
Profit Before Tax	1,532	1,756	(224)	(12.76)	1,532	1,756	(224)	(12.76)
Profit After Tax	1,140	1,310	(170)	(12.98)	1,140	1,310	(170)	(12.98)
Profit Attributable to: Owners of the Company	1,133	1,305	(172)	(13.18)	1,133	1,305	(172)	(13.18)
Non-Controlling Interest	7	5	2	40.00	7	5	2	40.00

The Group's revenue for the current quarter and financial year-to-date ended 31 March 2019 showed a decrease of 5.03% to RM6.553 million from RM6.900 million in the preceding corresponding year's quarter and financial year-to-date. The Group's profit before tax decreased by 12.76% to RM1.532 million as against preceding corresponding year's quarter of RM1.756 million.

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

Environmental products and services

This segment is the main contributor for the financial period ended 31 March 2019 as it comprised 86.83% of the total revenue.

For the financial period ended 31 March 2019, the revenue in environmental products and services decreased by RM0.316 million or 5.21% to RM5.747 million as compared to RM6.063 million reported in the corresponding financial period ended 31 March 2018. The profit before tax for the financial period ended 31 March 2019 decreased by RM0.023 million or 12.76% to RM1.642 million as compared to RM1.665 million reported in the corresponding financial period ended 31 March 2018.

System equipment and ancillary products

This segment comprised 13.17% of the total revenue for the financial period ended 31 March 2019.

For the financial period ended 31 March 2019, the revenue in system equipment and ancillary products decreased by RM0.036 million or 3.96% to RM0.873 million as compared to RM0.909 million reported in the corresponding financial period ended 31 March 2018. The profit before tax for the financial period ended 31 March 2019 increased by RM0.151 million or 387.18% to RM0.190 million as compared to RM0.039 million reported in the corresponding financial period ended 31 March 2018.

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 31.03.2019 RM'000	Immediate Preceding Quarter 31.12.2018 RM'000	Changes Amount RM'000	Changes %
Revenue	6,553	6,717	(164)	(2.44)
Operating Profit	1,575	1,060	515	48.58
Profit Before Tax	1,532	1,037	495	47.73
Profit After Tax	1,140	459	681	148.37
Profit Attributable to: Owners of the Company	1,133	483	650	134.58
Non-Controlling Interest	7	(24)	31	(129.17)

For the current quarter under review, the Group recorded revenue of RM6.553 million, representing a decrease of 2.44% from the immediate preceding quarter's revenue of RM6.717 million. The Group's profit before tax for the current quarter increased by 47.73% to RM1.532 million as compared to the preceding quarter.

B3 Prospects for the Financial Year 2019

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 31.03.2019 RM'000	Preceding Year Corresponding Quarter 31.03.2018 RM'000	Current Year-To-Date 31.03.2019 RM'000	Preceding Year-To-Date 31.03.2018 RM'000
Income and deferred tax				
-Current	392	446	392	446
	<u>392</u>	<u>446</u>	<u>392</u>	<u>446</u>

B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income

	Current Year Quarter 31.03.2019 (Unaudited) RM'000	Current Year-To-Date 31.03.2019 (Unaudited) RM'000
Other operating income:		
Rental income	94	94
Bad debts recovered	10	10
Operating expenses:		
Bad debts written off	10	10
Depreciation on property, plant and equipment	398	398

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Malaysia Securites 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 31.03.2019 RM'000
Short term borrowings (Secured)	1,160
Long term borrowings (Secured)	14,364
Total	<u>15,524</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

The Company had on 13 May 2019 announced the outcome of the decision of the High Court of Malaya at Shah Alam ("the Court") for the hearing of the appeals of both parties which was delivered by the Court on 13 May 2019.

Upon hearing both parties, the learned Judge dismissed both appeals by the parties with no order as to costs and maintained the decision of the Sessions Court, which would result in a net sum of RM279,400.04 with interest being payable by the GLS Tanks (M) Sdn Bhd to Hooker Chemical Sdn Bhd.

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	Preceding Year	Current	Preceding
	Quarter	Corresponding	Year-To-Date	Year-To-Date
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Profits attributable to owners of the Company (RM'000)	1,133	1,305	1,133	1,305
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	0.45	0.52	0.45	0.52
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 2019.
- b) A final single-tier dividend on ordinary share of 0.80 sen per share (2018: 0.80 sen per share) amounting to RM2,016,000 in respect of the financial year ended 31 December 2018 was approved by the shareholders at the Company's Annual General Meeting held on 28 May 2019 and will be paid by the Company on 28 June 2019 to shareholders whose names appear in the Register of Depositors at the close of business on 14 June 2019.

BY ORDER OF THE BOARD

Wong Maw Chuan (MIA 7413)
Wong Youn Kim (f) (MAICSA 7018778)
Lee Chin Wen (f) (MAICSA 7061168)
Company Secretaries
28 May 2019