

**BRITE-TECH BERHAD**  
Registration No. 200101014455 (550212-U)  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2020**

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**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE 2ND QUARTER ENDED 30 JUNE 2020**

	<----- Individual Quarter ----->		<----- Cumulative Quarters ----->	
	Current Quarter Ended 30.06.2020 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 30.06.2019 (Unaudited) RM'000	Current Year-To-Date 30.06.2020 (Unaudited) RM'000	Preceding Year-To-Date 30.06.2019 (Unaudited) RM'000
Revenue	4,895	7,002	10,900	13,555
Operating expenses	(3,912)	(5,803)	(8,988)	(11,022)
Other operating income	606	181	858	422
<b>Profit from operating activities</b>	<b>1,589</b>	<b>1,380</b>	<b>2,770</b>	<b>2,955</b>
Finance income	117	102	215	203
Finance costs	(208)	(166)	(433)	(310)
<b>Profit before tax</b>	<b>1,498</b>	<b>1,316</b>	<b>2,552</b>	<b>2,848</b>
Taxation	(358)	(349)	(602)	(741)
Profit for the period	1,140	967	1,950	2,107
Other comprehensive income for the period, net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>1,140</b>	<b>967</b>	<b>1,950</b>	<b>2,107</b>
<b>Total comprehensive income for the period</b>				
Owners of the Company	1,088	905	1,844	2,038
Non-controlling interests	52	62	106	69
	<b>1,140</b>	<b>967</b>	<b>1,950</b>	<b>2,107</b>
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
<b>Earnings per ordinary share attributable to owners of the Company (sen):</b>				
- Basic	<b>0.43</b>	<b>0.36</b>	<b>0.73</b>	<b>0.81</b>
- Diluted	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019.)

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	<b>As at End of Current Year Quarter 30.06.2020 (Unaudited) RM'000</b>	<b>As at Preceding Financial Year End 31.12.2019 (Audited) RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	42,118	38,986
Right-of-use assets	2,187	2,398
Investment properties	23,469	23,469
Goodwill on consolidation	641	641
<b>Total Non-Current Assets</b>	<b>68,415</b>	<b>65,494</b>
<b>Current Assets</b>		
Inventories	1,237	1,024
Trade and other receivables	8,231	9,178
Tax recoverable	181	165
Short-term investments	15,958	13,634
Cash and bank balances	3,514	3,625
<b>Total Current Assets</b>	<b>29,121</b>	<b>27,626</b>
<b>TOTAL ASSETS</b>	<b>97,536</b>	<b>93,120</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	25,200	25,200
Reserves	38,381	36,537
	63,581	61,737
Non-controlling interests	823	917
<b>Total Equity</b>	<b>64,404</b>	<b>62,654</b>
<b>Non-Current Liabilities</b>		
Long term borrowings (secured)	24,077	20,830
Deferred taxation	3,149	3,149
	27,226	23,979
<b>Current Liabilities</b>		
Trade and other payables	4,204	3,913
Bank overdraft	99	100
Short term borrowings (secured)	1,220	2,127
Provision for taxation	383	347
	5,906	6,487
<b>Total Liabilities</b>	<b>33,132</b>	<b>30,466</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>97,536</b>	<b>93,120</b>
Net assets per share attributable to owners of the Company (RM)	0.26	0.25

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019.)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE 2ND QUARTER ENDED 30 JUNE 2020**

	<----- Attributable to owners of the Company ----->			Total Shareholders' Equity RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	<----- Non-distributable----->	<-Distributable ->				
	Share Capital RM'000	Revaluation Reserves RM'000	Retained Profits RM'000			
<b><u>6 Months Ended 30 June 2020</u></b>						
<b><u>(Unaudited)</u></b>						
Balance as at 1 January 2020	25,200	16,966	19,571	61,737	917	62,654
Total comprehensive income for the financial period	-	-	1,844	1,844	106	1,950
Dividend - By subsidiary to non-controlling interests	-	-	-	-	(200)	(200)
Balance as at 30 June 2020	<u>25,200</u>	<u>16,966</u>	<u>21,415</u>	<u>63,581</u>	<u>823</u>	<u>64,404</u>

**6 Months Ended 30 June 2019**  
**(Unaudited)**

Balance as at 1 January 2019	25,200	14,987	17,757	57,944	842	58,786
Total comprehensive income for the financial period	-	-	2,038	2,038	69	2,107
Dividend paid in respect of financial year ended 31 December 2018	-	-	(2,016)	(2,016)	-	(2,016)
Balance as at 30 June 2019	<u>25,200</u>	<u>14,987</u>	<u>17,779</u>	<u>57,966</u>	<u>911</u>	<u>58,877</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019.)

**BRITE-TECH BERHAD**

Registration No. 200101014455 (550212-U)

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE 2ND QUARTER ENDED 30 JUNE 2020**

	<b>6 Months Period Ended 30.06.2020 (Unaudited) RM'000</b>	<b>6 Months Corresponding Period Ended 30.06.2019 (Unaudited) RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	2,552	2,848
Adjustments for:		
Depreciation	731	801
Finance costs	433	310
Finance income	(215)	(203)
Bad debts written off	-	(10)
Operating profit before working capital changes	<u>3,501</u>	<u>3,746</u>
Changes in working capital:		
Inventories	(213)	(234)
Trade & other receivables	947	(315)
Trade & other payables	291	1,180
Cash from operations	<u>4,526</u>	<u>4,377</u>
Interest received	215	203
Interest paid	(433)	(310)
Income tax paid	(582)	(410)
<b>Net cash from operating activities</b>	<u>3,726</u>	<u>3,860</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3,659)	(268)
Proceeds from disposal of property, plant and equipment	7	10
<b>Net cash used in investing activities</b>	<u>(3,652)</u>	<u>(258)</u>
<b>Cash flows from financing activities</b>		
Repayment of loan and borrowings, net of drawdown	2,340	(902)
Repayments to directors	-	(3)
Dividend paid to owners of the Company	-	(2,016)
Dividend paid to non-controlling interest	(200)	-
<b>Net cash from/(used in) financing activities</b>	<u>2,140</u>	<u>(2,921)</u>
<b>Net changes in cash and cash equivalents</b>	2,214	681
<b>Cash and cash equivalent at beginning of period</b>	17,159	14,373
<b>Cash and cash equivalent at end of period</b>	<u>19,373</u>	<u>15,054</u>
<b>Cash and cash equivalents comprise the following:</b>		
Short-term investments and fixed deposits	15,958	11,038
Cash and bank balances	3,514	4,114
Bank overdraft	(99)	(98)
<b>Cash and cash equivalents at end of the period</b>	<u>19,373</u>	<u>15,054</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019.)

**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 2019. 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 2019.

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 2019, except as below:

Amendments to MFRS 3, Business Combinations – Definition of a Business

Amendments to MFRS 101, Presentation of Financial Statements and MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material

Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments: Recognition and Measurement and MFRS 7, Financial Instruments: Disclosures – Interest Rate Benchmark Reform

Amendments to References to the Conceptual Framework in MFRS Standards

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 2019 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 (2018: RM2,016,000) in respect of the financial year ended 31 December 2019 was approved by the shareholders at the Company's Annual General Meeting held on 10 July 2020 and has been paid by the Company on 7 August 2020 to shareholders whose names appear in the Register of Depositors at the close of business on 24 July 2020.

**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 2020 by the respective operating segments are as follows:

<b><u>Financial Period Ended 30.06.2020</u></b>	<b>Environmental products and services RM'000</b>	<b>System equipment and ancillary products RM'000</b>	<b>Investments RM'000</b>	<b>Inter- segment Eliminations RM'000</b>	<b>Group RM'000</b>
<b>REVENUE</b>					
External revenue	9,507	1,393	-	-	10,900
Inter-segment revenue	98	2	799	(899)	-
Total revenue	<u>9,605</u>	<u>1,395</u>	<u>799</u>	<u>(899)</u>	<u>10,900</u>
<b>RESULT</b>					
Segment results (external)	3,041	445	(716)	-	2,770
Finance income	118	26	71	-	215
Finance costs	(417)	(16)	-	-	(433)
Profit before taxation	<u>2,742</u>	<u>455</u>	<u>(645)</u>	<u>-</u>	<u>2,552</u>
Taxation					(602)
Profit for the period					<u>1,950</u>
Non-controlling interests					(106)
Profit attributable to Owners of the Company					<u>1,844</u>

<b><u>Financial Period Ended 30.06.2019</u></b>	<b>Environmental products and services RM'000</b>	<b>System equipment and ancillary products RM'000</b>	<b>Investments RM'000</b>	<b>Inter- segment Eliminations RM'000</b>	<b>Group RM'000</b>
<b>REVENUE</b>					
External revenue	11,693	1,862	-	-	13,555
Inter-segment revenue	128	13	850	(991)	-
Total revenue	<u>11,821</u>	<u>1,875</u>	<u>850</u>	<u>(991)</u>	<u>13,555</u>
<b>RESULT</b>					
Segment results (external)	3,538	434	(1,023)	6	2,955
Finance income	94	33	76	-	203
Finance costs	(271)	(39)	-	-	(310)
Profit before taxation	<u>3,361</u>	<u>428</u>	<u>(947)</u>	<u>6</u>	<u>2,848</u>
Taxation					(741)
Total comprehensive income for the period					<u>2,107</u>
Non-controlling interests					(69)
Profit attributable to Owners of the Company					<u>2,038</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 30 June 2020; 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 2019.

**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:

	<b>30.06.2020</b> <b>(Unaudited)</b> <b>RM'000</b>
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	1,181
- Approved but not contracted for	-

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:

	<b>Current Year Quarter 30.06.2020 RM'000</b>	<b>Cumulative Year To Date 30.06.2020 RM'000</b>
Management fees	374	799
Rental	41	82
Revenue	60	100



**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 30.06.2020 RM'000	Preceding Year Corresponding Quarter Ended 30.06.2019 RM'000	Changes Amount RM'000	Changes %	Current Year-To-Date 30.06.2020 RM'000	Preceding Year-To-Date 30.06.2019 RM'000	Changes Amount RM'000	Changes %
<b>Revenue</b>	4,895	7,002	(2,107)	(30.09)	10,900	13,555	(2,655)	(19.59)
<b>Operating Profit</b>	1,589	1,380	209	15.14	2,770	2,955	(185)	(6.26)
<b>Profit Before Tax</b>	1,498	1,316	182	13.83	2,552	2,848	(296)	(10.39)
<b>Profit After Tax</b>	1,140	967	173	17.89	1,950	2,107	(157)	(7.45)
<b>Profit Attributable to: Owners of the Company</b>	1,088	905	183	20.22	1,844	2,038	(194)	(9.52)
<b>Non-Controlling Interest</b>	52	62	(10)	(16.13)	106	69	37	53.62

The Group's revenue for the current quarter ended 30 June 2020 showed a decrease of 30.09% to RM4.895 million from RM7.002 million in the preceding corresponding year's quarter. The Group's profit before tax increased by 13.83% to RM1.498 million as against preceding corresponding year's quarter of RM1.316 million.

The Group's revenue for the current financial year-to-date ended 30 June 2020 showed a decrease of 19.59% to RM10.9 million from RM13.555 million in the preceding corresponding year's financial year-to-date. The Group's profit before tax decreased by 10.39% to RM2.552 million as against preceding corresponding financial year-to-date of RM2.848 million.

The increase in the Group's profit before tax for the current quarter was due to higher other operating income while the decrease in the Group's profit before tax for the financial year-to-date was due to lower revenue achieved.

Environmental products and services

This segment is the main contributor for the financial period ended 30 June 2020 as it comprised 87.22% of the total revenue.

For the financial period ended 30 June 2020, the revenue in environmental products and services decreased by RM2.216 million or 18.75% to RM9.605 million as compared to RM11.821 million reported in the corresponding financial period ended 30 June 2019. The profit before tax for the financial period ended 30 June 2020 decreased by RM0.619 million or 18.42% to RM2.742 million as compared to RM3.361 million reported in the corresponding financial period ended 30 June 2019.

System equipment and ancillary products

This segment comprised 12.78% of the total revenue for the financial period ended 30 June 2020.

For the financial period ended 30 June 2020, the revenue in system equipment and ancillary products decreased by RM0.48 million or 25.60% to RM1.395 million as compared to RM1.875 million reported in the corresponding financial period ended 30 June 2019. The profit before tax for the financial period ended 30 June 2020 increased by RM0.027 million or 6.31% to RM0.455 million as compared to RM0.428 million reported in the corresponding financial period ended 30 June 2019.

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**

	<b>Current Year Quarter 30.06.2020 RM'000</b>	<b>Immediate Preceding Quarter 31.03.2020 RM'000</b>	<b>Changes Amount RM'000</b>	<b>Changes %</b>
<b>Revenue</b>	4,895	6,005	(1,110)	(18.48)
<b>Operating Profit</b>	1,589	1,181	408	34.55
<b>Profit Before Tax</b>	1,498	1,054	444	42.13
<b>Profit After Tax</b>	1,140	810	330	40.74
<b>Profit Attributable to: Owners of the Company</b>	1,088	756	332	43.92
<b>Non-Controlling Interest</b>	52	54	(2)	(3.70)

For the current quarter under review, the Group recorded revenue of RM4.895 million, representing a decrease of 18.48% from the immediate preceding quarter's revenue of RM6.005 million. The Group's profit before tax for the current quarter increased by 42.13% to RM1.498 million as compared to the preceding quarter.

**B3 Prospects for the Financial Year 2020**

The Group expects the year ahead to be challenging with the unprecedented outbreak of the COVID-19 pandemic and the effects related to implementation of the recovery movement control order which will undeniably have an adverse impact to business in Malaysia including our Group.

Despite such challenges, the Group believes that the Group shall be able to ride through this difficult time with the resources the Group has and efforts taken by the Group. The Group has resumed normal business operations with modifications where necessary to implement the required Standard Operating Procedures.

The Group maintains a positive outlook for the business activities that the Group are involved in. 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:

	<b>Individual Quarter</b>		<b>Cumulative Quarters</b>	
	<b>Current Year Quarter 30.06.2020 RM'000</b>	<b>Preceding Year Corresponding Quarter 30.06.2019 RM'000</b>	<b>Current Year-To-Date 30.06.2020 RM'000</b>	<b>Preceding Year-To-Date 30.06.2019 RM'000</b>
Income and deferred tax				
-Current	358	349	612	741
-Over provision in prior year	-	-	(10)	-
	<u>358</u>	<u>349</u>	<u>602</u>	<u>741</u>

**B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income**

	<b>Current Year Quarter 30.06.2020 (Unaudited) RM'000</b>	<b>Current Year-To-Date 30.06.2020 (Unaudited) RM'000</b>
<b>Other operating income:</b>		
Rental income	269	516
Bad debts recovered	55	60
<b>Operating expense:</b>		
Depreciation	355	731

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:

	<b>Current Year Quarter 30.06.2020 RM'000</b>
Short term borrowings (Secured)	1,319
Long term borrowings (Secured)	24,077
Total	<u>25,396</u>

Bank overdraft of RM 0.99 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 30.06.2020	Preceding Year Corresponding Quarter 30.06.2019	Current Year-To-Date 30.06.2020	Preceding Year-To-Date 30.06.2019
Profits attributable to owners of the Company (RM'000)	1,088	905	1,844	2,038
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	0.43	0.36	0.73	0.81
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 0.80 sen (2019: 0.80 sen) per share amounting to RM2,016,000 (2019: RM2,016,000) in respect of the financial year ending 31 December 2020 and will be paid by the Company on 25 September 2020 to shareholders whose names appear in the Register of Depositors at the close of business on 14 September 2020.

**BY ORDER OF THE BOARD**

Wong Maw Chuan (MIA 7413)  
Wong Youn Kim (f) (MAICSA 7018778)  
Lee Chin Wen (f) (MAICSA 7061168)  
Company Secretaries  
27 August 2020