

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

UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2021

CONTENTS

	Page
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	1
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	2
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	3
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS	4
NOTES TO THE INTERIM FINANCIAL STATEMENTS	5 - 7
ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES LISTING REQUIREMENT (APPENDIX 9B)	8 - 11

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 2ND QUARTER ENDED 30 JUNE 2021

	<----- Individual Quarter ----->		<----- Cumulative Quarters ----->	
	Current Quarter Ended 30.06.2021 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 30.06.2020 (Unaudited) RM'000	Current Year-To-Date 30.06.2021 (Unaudited) RM'000	Preceding Year-To-Date 30.06.2020 (Unaudited) RM'000
Revenue	5,931	4,895	12,163	10,900
Operating expenses	(4,614)	(3,912)	(9,555)	(8,988)
Other operating income	491	606	736	858
Profit from operating activities	1,808	1,589	3,344	2,770
Finance income	80	117	130	215
Finance costs	(238)	(208)	(569)	(433)
Profit before tax	1,650	1,498	2,905	2,552
Taxation	(379)	(358)	(823)	(602)
Profit for the period	1,271	1,140	2,082	1,950
Total comprehensive income for the period	1,271	1,140	2,082	1,950
Total comprehensive income for the period				
Owners of the Company	1,247	1,088	2,102	1,844
Non-controlling interests	24	52	(20)	106
	<u>1,271</u>	<u>1,140</u>	<u>2,082</u>	<u>1,950</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>0.49</u>	<u>0.43</u>	<u>0.83</u>	<u>0.73</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 2020.)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	As at End of Current Year Quarter 30.06.2021 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2020 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	22,347	51,631
Right-of-use assets	1,934	2,247
Investment properties	62,984	33,729
Goodwill on consolidation	641	641
Total Non-Current Assets	87,906	88,248
Current Assets		
Inventories	1,214	1,114
Trade and other receivables	6,364	6,775
Tax recoverable	417	335
Short-term investments	16,512	14,575
Cash and bank balances	3,808	3,106
Total Current Assets	28,315	25,905
TOTAL ASSETS	116,221	114,153
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	46,875	44,773
	72,075	69,973
Non-controlling interests	713	733
Total Equity	72,788	70,706
Non-Current Liabilities		
Long term borrowings (secured)	33,062	24,540
Lease liabilities	336	426
Deferred taxation	4,578	4,455
	37,976	29,421
Current Liabilities		
Trade and other payables	4,114	12,039
Amount due to director	-	12
Lease liabilities	250	267
Bank overdraft	100	99
Short term borrowings (secured)	601	1,220
Provision for taxation	392	389
	5,457	14,026
Total Liabilities	43,433	43,447
TOTAL EQUITY AND LIABILITIES	116,221	114,153
Net assets per share attributable to owners of the Company (RM)	0.29	0.28

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE 2ND QUARTER ENDED 30 JUNE 2021

	<----- 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>6 Months Ended 30 June 2021</u>						
<u>(Unaudited)</u>						
Balance as at 1 January 2021	25,200	24,591	20,182	69,973	733	70,706
Total comprehensive income for the financial period	-	-	2,102	2,102	(20)	2,082
Balance as at 30 June 2021	<u>25,200</u>	<u>24,591</u>	<u>22,284</u>	<u>72,075</u>	<u>713</u>	<u>72,788</u>
<u>6 Months Ended 30 June 2020</u>						
<u>(Unaudited)</u>						
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>

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 2ND QUARTER ENDED 30 JUNE 2021

	6 Months Period Ended 30.06.2021 (Unaudited) RM'000	6 Months Corresponding Period Ended 30.06.2020 (Unaudited) RM'000
Cash flows from operating activities		
Profit before taxation	2,905	2,552
Adjustments for:		
Depreciation	685	731
Finance costs	569	433
Finance income	(130)	(215)
Operating profit before working capital changes	<u>4,029</u>	<u>3,501</u>
Changes in working capital:		
Inventories	(100)	(213)
Trade & other receivables	411	947
Trade & other payables	(7,925)	291
Cash (used in)/from operations	<u>(3,585)</u>	<u>4,526</u>
Interest received	130	215
Interest paid	(569)	(433)
Income tax paid	(780)	(582)
Net cash (used in)/from operating activities	<u>(4,804)</u>	<u>3,726</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(354)	(3,659)
Proceeds from disposal of property, plant and equipment	12	7
Net cash used in investing activities	<u>(342)</u>	<u>(3,652)</u>
Cash flows from financing activities		
Repayments to directors	(12)	-
Drawdown of loan and borrowings, net of repayment	7,796	2,340
Dividend paid to non-controlling interest	-	(200)
Net cash from financing activities	<u>7,784</u>	<u>2,140</u>
Net changes in cash and cash equivalents	2,638	2,214
Cash and cash equivalent at beginning of period	17,582	17,159
Cash and cash equivalent at end of period	<u>20,220</u>	<u>19,373</u>
Cash and cash equivalents comprise the following:		
Short-term investments and fixed deposits	16,512	15,958
Cash and bank balances	3,808	3,514
Bank overdraft	(100)	(99)
Cash and cash equivalents at end of the period	<u>20,220</u>	<u>19,373</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2020.)

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 2020. 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 2020.

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 2020, except as below:

Amendments to MFRS 9, Financial Instruments
Amendments to MFRS 139, Financial Instruments: Recognition and Measurement
Amendments to MFRS 7, Financial Instruments: Disclosure
Amendments to MFRS 4, Insurance Contracts
Amendments to MFRS 16, Leases

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 2020 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 (2019: RM2,016,000) in respect of the financial year ended 31 December 2020 was approved by the shareholders at the Company's Annual General Meeting held on 11 June 2021 and has been paid by the Company on 12 July 2021 to shareholders whose names appear in the Register of Depositors at the close of business on 28 June 2021.

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 2021 by the respective operating segments are as follows:

<u>Financial Period Ended 30.6.2021</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	10,854	1,309	-	-	12,163
Inter-segment revenue	100	3	749	(852)	-
Total revenue	<u>10,954</u>	<u>1,312</u>	<u>749</u>	<u>(852)</u>	<u>12,163</u>
RESULT					
Segment results (external)	3,543	439	(676)	38	3,344
Finance income	88	24	18	-	130
Finance costs	(534)	(35)	-	-	(569)
Profit before taxation	<u>3,097</u>	<u>428</u>	<u>(658)</u>	<u>-</u>	<u>2,905</u>
Taxation					(823)
Profit for the period					<u>2,082</u>
Non-controlling interests					20
Profit attributable to Owners of the Company					<u>2,102</u>

<u>Financial Period Ended 30.06.2020</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	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>
RESULT					
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>

A9 Valuations of Properties

There were no valuation undertaken for the Group's properties in the current quarter under review.

A10 Material Subsequent Events

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 2021; 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 2020.

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:

	30.06.2021 (Unaudited) RM'000
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	275
- Approved but not contracted for	8,472

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 30.06.2021 RM'000	Cumulative Year To Date 30.06.2021 RM'000
Management fees	<u>375</u>	<u>750</u>
Rental	<u>42</u>	<u>83</u>
Revenue	<u>55</u>	<u>103</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 30.06.2021 RM'000	Preceding Year Corresponding Quarter Ended 30.06.2020 RM'000	Changes Amount RM'000	Changes %	Current Year-To-Date 30.06.2021 RM'000	Preceding Year-To-Date 30.06.2020 RM'000	Changes Amount RM'000	Changes %
Revenue	5,931	4,895	1,036	21.16	12,163	10,900	1,263	11.59
Operating Profit	1,808	1,589	219	13.78	3,344	2,770	574	20.72
Profit Before Tax	1,650	1,498	152	10.15	2,905	2,552	353	13.83
Profit After Tax	1,271	1,140	131	11.49	2,082	1,950	132	6.77
Profit Attributable to: Owners of the Company	1,247	1,088	159	14.61	2,102	1,844	258	13.99
Non-Controlling Interest	24	52	(28)	(53.85)	(20)	106	(126)	(118.87)

The Group's revenue for the current quarter ended 30 June 2021 showed an increase of 21.16% to RM5.931 million from RM4.895 million in the preceding corresponding year's quarter. The Group's profit before tax increased 10.15% to RM1.650 million as against preceding corresponding year's quarter of RM1.498 million.

The Group's revenue for the current financial year-to-date ended 30 June 2021 showed an increase of 11.59% to RM12.163 million from RM10.900 million in the preceding corresponding year's financial year-to-date. The Group's profit before tax increased by 13.83% to RM2.905 million as against preceding corresponding financial year-to-date of RM2.552 million.

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

Environmental products and services

This segment is the main contributor for the financial period ended 30 June 2021 as it comprised 89.24% of the total revenue.

For the financial period ended 30 June 2021, the revenue in environmental products and services increased by RM1.349 million or 14.04% to RM10.954 million as compared to RM9.605 million reported in the corresponding financial period ended 30 June 2020. The profit before tax for the financial period ended 30 June 2021 was increased by RM0.355 million or 12.95% to RM3.097 million as compared to RM2.742 million reported in the corresponding financial period ended 30 June 2020.

System equipment and ancillary products

This segment comprised 10.76% of the total revenue for the financial period ended 30 June 2021.

For the financial period ended 30 June 2021, the revenue in system equipment and ancillary products decreased by RM0.083 million or 5.95% to RM1.312 million as compared to RM1.395 million reported in the corresponding financial period ended 30 June 2020. The profit before tax for the financial period ended 30 June 2021 decreased by RM0.027 million or 5.93% to RM0.428 million as compared to RM0.455 million reported in the corresponding financial period ended 30 June 2020.

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 30.06.2021 RM'000	Immediate Preceding Quarter 31.03.2021 RM'000	Changes Amount RM'000	Changes %
Revenue	5,931	6,232	(301)	(4.83)
Operating Profit	1,808	1,536	272	17.71
Profit Before Tax	1,650	1,255	395	31.47
Profit After Tax	1,271	811	460	56.72
Profit Attributable to: Owners of the Company	1,247	855	392	45.85
Non-Controlling Interest	24	(44)	68	(154.55)

For the current quarter under review, the Group recorded revenue of RM5.931 million, representing a decrease of 4.83% from the immediate preceding quarter's revenue of RM6.232 million. The Group's profit before tax for the current quarter increased by 31.47% to RM1.65 million as compared to the immediate preceding quarter.

B3 Prospects for the Current Financial Year

The Group expects the remaining financial year to be challenging with the evolving COVID-19 pandemic and the effects related to implementation of the movement control order which has impacted the economy and interrupted business operations for all industries in Malaysia including our Group.

Despite such challenges, the Group has managed to maintain a reasonably level of business 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 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.

Barring any unforeseen circumstances, the Board of Directors is of the opinion that the performance of the existing business of the Group is expected to remain challenging for the remaining financial year.

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 30.06.2021 RM'000	Preceding Year Corresponding Quarter 30.06.2020 RM'000	Current Year-To-Date 30.06.2021 RM'000	Preceding Year-To-Date 30.06.2020 RM'000
Income and deferred tax				
-Current	379	358	701	612
-Under/(over) provision in prior year	-	-	122	(10)
	<u>379</u>	<u>358</u>	<u>823</u>	<u>602</u>

B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income

	Current Year Quarter 30.06.2021 (Unaudited) RM'000	Current Year-To-Date 30.06.2021 (Unaudited) RM'000
Other operating income:		
Bad debts recovered	-	1
Rental income	479	700
Operating expense:		
Depreciation	349	685

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 30.06.2021 RM'000
Short term borrowings (Secured)	951
Long term borrowings (Secured)	33,398
Total	<u>34,349</u>

Bank overdraft of RM 0.1 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 of 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 30.06.2021	Preceding Year Corresponding Quarter 30.06.2020	Current Year-To-Date 30.06.2021	Preceding Year-To-Date 30.06.2020
Profits attributable to owners of the Company (RM'000)	<u>1,247</u>	<u>1,088</u>	<u>2,102</u>	<u>1,844</u>
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	<u>0.49</u>	<u>0.43</u>	<u>0.83</u>	<u>0.73</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.

BRITE-TECH BERHAD

Registration No. 200101014455 (550212-U)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE 2ND QUARTER ENDED 30 JUNE 2021

B11 Dividends Payable

No dividend has been proposed for the financial period ended 30 June 2021.

BY ORDER OF THE BOARD

Wong Maw Chuan (MIA 7413) (SSM PC No. 202008003554)

Wong Youn Kim (f) (MAICSA 7018778) (SSM PC No. 201908000410)

Lee Chin Wen (f) (MAICSA 7061168) (SSM PC No. 202008001901)

Company Secretaries

27 August 2021