

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

UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 4TH QUARTER ENDED 31 DECEMBER 2021

	<----- Individual Quarter ----->		<----- Cumulative Quarters ----->	
	Current Quarter Ended 31.12.2021 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 31.12.2020 (Unaudited) RM'000	Current Year-To-Date 31.12.2021 (Unaudited) RM'000	Preceding Year-To-Date 31.12.2020 (Unaudited) RM'000
Revenue	6,613	6,631	23,690	24,273
Operating expenses	(4,744)	(5,764)	(18,846)	(19,501)
Other operating income	4,626	615	6,167	2,133
Profit from operating activities	6,495	1,482	11,011	6,905
Finance income	95	76	290	384
Finance costs	(318)	(132)	(1,209)	(750)
Profit before tax	6,272	1,426	10,092	6,539
Taxation	(471)	(435)	(1,517)	(1,655)
Profit for the period	5,801	991	8,575	4,884
Other comprehensive income for the period, net of tax	269	7,606	269	7,606
Total comprehensive income for the period	6,070	8,597	8,844	12,490
Total comprehensive income for the period				
Owners of the Company	6,008	8,549	8,800	12,296
Non-controlling interests	62	48	44	194
	<u>6,070</u>	<u>8,597</u>	<u>8,844</u>	<u>12,490</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>2.28</u>	<u>0.37</u>	<u>3.39</u>	<u>1.86</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 31 DECEMBER 2021

	As at End of Current Year Quarter 31.12.2021 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2020 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	21,422	51,631
Right-of-use assets	2,087	2,247
Investment properties	67,853	33,729
Goodwill on consolidation	641	641
Total Non-Current Assets	92,003	88,248
Current Assets		
Inventories	1,204	1,114
Trade and other receivables	6,541	6,775
Tax recoverable	320	335
Short-term investments	16,966	14,575
Cash and bank balances	3,134	3,106
Total Current Assets	28,165	25,905
TOTAL ASSETS	120,168	114,153
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	51,557	44,773
	76,757	69,973
Non-controlling interests	777	733
Total Equity	77,534	70,706
Non-Current Liabilities		
Long term borrowings (secured)	32,345	24,540
Lease liabilities	180	426
Deferred taxation	4,723	4,455
	37,248	29,421
Current Liabilities		
Trade and other payables	3,876	12,039
Amount due to director	6	12
Lease liabilities	235	267
Bank overdraft	99	99
Short term borrowings (secured)	732	1,220
Provision for taxation	438	389
	5,386	14,026
Total Liabilities	42,634	43,447
TOTAL EQUITY AND LIABILITIES	120,168	114,153
Net assets per share attributable to owners of the Company (RM)	0.30	0.28

(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 CHANGES IN EQUITY
FOR THE 4TH QUARTER ENDED 31 DECEMBER 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>12 Months Ended 31 December</u>						
<u>2021 (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	-	269	8,531	8,800	44	8,844
Dividend paid in respect of financial year ended 31 December 2021	-	-	(2,016)	(2,016)	-	(2,016)
Balance as at 31 December 2021	<u>25,200</u>	<u>24,860</u>	<u>26,697</u>	<u>76,757</u>	<u>777</u>	<u>77,534</u>
<u>12 Months Ended 31 December</u>						
<u>2020 (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	-	7,606	4,690	12,296	194	12,490
Dividend paid in respect of financial year ended 31 December 2019	-	-	(2,016)	(2,016)	-	(2,016)
Interim dividend paid on 25 September 2020	-	-	(2,016)	(2,016)	-	(2,016)
Dividend - By subsidiary to non-controlling interests	-	-	-	-	(400)	(400)
Balance as at 31 December 2020	<u>25,200</u>	<u>24,572</u>	<u>20,229</u>	<u>70,001</u>	<u>711</u>	<u>70,712</u>

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 4TH QUARTER ENDED 31 DECEMBER 2021

	12 Months Period Ended 31.12.2021 (Unaudited) RM'000	12 Months Corresponding Period Ended 31.12.2020 (Unaudited) RM'000
Cash flows from operating activities		
Profit before taxation	10,092	6,539
Adjustments for:		
Amortisation of rental deposit	-	7
Depreciation	1,470	1,417
Finance costs	1,209	750
Finance income	(290)	(384)
Impairment loss on inventories	64	-
Impairment loss on receivables	215	248
Loss on disposal of property, plant and equipment	1	-
Loss/(Gain) on fair value adjustment of investment properties	(3,616)	540
Operating profit before working capital changes	<u>9,145</u>	<u>9,117</u>
Changes in working capital:		
Inventories	(154)	(90)
Trade & other receivables	19	2,160
Trade & other payables	(8,163)	8,123
Cash from operations	<u>847</u>	<u>19,310</u>
Interest received	290	384
Interest paid	(1,209)	(750)
Income tax paid	(1,642)	(1,756)
Net cash (used in)/from operating activities	<u>(1,714)</u>	<u>17,188</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,154)	(5,766)
Purchase of investment properties	-	(10,055)
Proceeds from disposal of property, plant and equipment	270	-
Net cash used in investing activities	<u>(884)</u>	<u>(15,821)</u>
Cash flows from financing activities		
Drawdown of loan and borrowings, net of repayment	7,039	3,476
(Repayment to)/advance from director	(6)	12
Dividend paid to owners of the company	(2,016)	(4,032)
Dividend paid to non-controlling interest	-	(400)
Net cash from/(used in) financing activities	<u>5,017</u>	<u>(944)</u>
Net changes in cash and cash equivalents	2,419	423
Cash and cash equivalent at beginning of period	<u>17,582</u>	<u>17,159</u>
Cash and cash equivalent at end of period	<u><u>20,001</u></u>	<u><u>17,582</u></u>
Cash and cash equivalents comprise the following:		
Short-term investments and fixed deposits	16,966	14,575
Cash and bank balances	3,134	3,106
Bank overdraft	(99)	(99)
Cash and cash equivalents at end of the period	<u><u>20,001</u></u>	<u><u>17,582</u></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 31 December 2021 by the respective operating segments are as follows:

<u>Financial Period Ended 31.12.2021</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	20,899	2,791	-	-	23,690
Inter-segment revenue	228	5	1,499	(1,732)	-
Total revenue	<u>21,127</u>	<u>2,796</u>	<u>1,499</u>	<u>(1,732)</u>	<u>23,690</u>
RESULT					
Segment results (external)	10,456	705	(392)	242	11,011
Finance income	192	49	49	-	290
Finance costs	(1,159)	(50)	-	-	(1,209)
Profit before taxation	<u>9,489</u>	<u>704</u>	<u>(343)</u>	<u>-</u>	<u>10,092</u>
Taxation					(1,517)
Profit for the period					<u>8,575</u>
Non-controlling interests					(44)
Profit attributable to Owners of the Company					<u>8,531</u>

<u>Financial Period Ended 31.12.2020</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	21,353	2,920	-	-	24,273
Inter-segment revenue	208	5	1,548	(1,761)	-
Total revenue	<u>21,561</u>	<u>2,925</u>	<u>1,548</u>	<u>(1,761)</u>	<u>24,273</u>
RESULT					
Segment results (external)	7,453	1,061	(1,612)	3	6,905
Finance income	222	51	111	-	384
Finance costs	(689)	(61)	-	-	(750)
Profit before taxation	<u>6,986</u>	<u>1,051</u>	<u>(1,501)</u>	<u>-</u>	<u>6,539</u>
Taxation					(1,655)
Profit for the period					<u>4,884</u>
Non-controlling interests					(194)
Profit attributable to Owners of the Company					<u>4,690</u>

A9 Valuations of Properties

During the current quarter under review, the Group has carried out an update of valuation for its properties by Nasir, Sabaruddin & Associates Sdn Bhd, an external independent firm of professional valuer registered with the Board of Valuers, Appraisers and Estate Agents Malaysia, to ascertain the current market value of the properties for accounting purposes based on the Comparison Method of Valuation.

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

The Group has successfully struck off two subsidiary companies, Cybond Chemical Sdn. Bhd. and Renown Orient Sdn. Bhd. on 12 August 2021.

A12 Derivatives

- (a) There were no outstanding derivatives (including financial instruments designated as hedging instruments) as at the end of the quarter ended 31 December 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:

	31.12.2021 (Unaudited) RM'000
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	-
- 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 31.12.2021 RM'000	Cumulative Year To Date 31.12.2021 RM'000
Management fees	<u>375</u>	<u>1,500</u>
Rental	<u>41</u>	<u>163</u>
Revenue	<u>80</u>	<u>233</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 31.12.2021 RM'000	Preceding Year Corresponding Quarter Ended 31.12.2020 RM'000	Changes Amount RM'000	Changes %	Current Year-To-Date 31.12.2021 RM'000	Preceding Year-To-Date 31.12.2020 RM'000	Changes Amount RM'000	Changes %
Revenue	6,613	6,631	(18)	(0.27)	23,690	24,273	(583)	(2.40)
Operating Profit	6,495	1,482	5,013	338.26	11,011	6,905	4,106	59.46
Profit Before Tax	6,272	1,426	4,846	339.83	10,092	6,539	3,553	54.34
Profit After Tax	5,801	991	4,810	485.37	8,575	4,884	3,691	75.57
Profit Attributable to: Owners of the Company	5,739	943	4,796	508.59	8,531	4,690	3,841	81.90
Non-Controlling Interest	62	48	14	29.17	44	194	(150)	(77.32)

The Group's revenue for the current quarter ended 31 December 2021 showed a slight decrease of 0.27% to RM6.613 million from RM6.631 million in the preceding corresponding year's quarter. The Group's profit before tax increased 339.83% to RM6.272 million as against preceding corresponding year's quarter of RM1.426 million.

The Group's revenue for the current financial year-to-date ended 31 December 2021 showed a slight decrease of 2.4% to RM23.690 million from RM24.273 million in the preceding corresponding year's financial year-to-date. The Group's profit before tax increased by 54.34% to RM10.092 million as against preceding corresponding financial year-to-date of RM6.539 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 gain on fair value adjustment on investment properties.

Environmental products and services

This segment is the main contributor for the financial period ended 31 December 2021 as it comprised 88.22% of the total revenue.

For the financial period ended 31 December 2021, the revenue in environmental products and services decreased by RM0.434 million or 2.01% to RM21.127 million as compared to RM21.561 million reported in the corresponding financial period ended 31 December 2020. The profit before tax for the financial period ended 31 December 2021 was increased by RM2.503 million or 35.83% to RM9.489 million as compared to RM6.986 million reported in the corresponding financial period ended 31 December 2020.

System equipment and ancillary products

This segment comprised 11.78% of the total revenue for the financial period ended 31 December 2021.

For the financial period ended 31 December 2021, the revenue in system equipment and ancillary products decreased by RM0.129 million or 4.41% to RM2.796 million as compared to RM2.925 million reported in the corresponding financial period ended 31 December 2020. The profit before tax for the financial period ended 31 December 2021 decreased by RM0.347 million or 33.02% to RM0.704 million as compared to RM1.051 million reported in the corresponding financial period ended 31 December 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 31.12.2021 RM'000	Immediate Preceding Quarter 30.09.2021 RM'000	Changes Amount RM'000	Changes %
Revenue	6,613	4,914	1,699	34.57
Operating Profit	6,495	1,172	5,323	454.18
Profit Before Tax	6,272	915	5,357	585.46
Profit After Tax	5,801	692	5,109	738.29
Profit Attributable to: Owners of the Company	5,739	690	5,049	731.74
Non-Controlling Interest	62	2	60	3,000.00

For the current quarter under review, the Group recorded revenue of RM6.613 million, representing an increase of 34.57% from the immediate preceding quarter's revenue of RM4.914 million. The Group's profit before tax for the current quarter increased by 585.46% to RM6.272 million as compared to the preceding quarter.

B3 Prospects for the Financial Year 2022

The Group expects the remaining financial year to be challenging due to the ongoing COVID-19 pandemic 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 gradual recovery of national economy from the COVID-19 pandemic after the government eased the movement control and resumption of business is expected to contribute to better revenue for the Group.

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 31.12.2021 RM'000	Preceding Year Corresponding Quarter 31.12.2020 RM'000	Current Year-To-Date 31.12.2021 RM'000	Preceding Year-To-Date 31.12.2020 RM'000
Income and deferred tax				
-Current	469	363	1,393	1,593
-Underprovision in prior year	2	72	124	62
	<u>471</u>	<u>435</u>	<u>1,517</u>	<u>1,655</u>

B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income

	Current Year Quarter 31.12.2021 (Unaudited) RM'000	Current Year-To-Date 31.12.2021 (Unaudited) RM'000
Other operating income:		
Bad debts recovered	155	266
Gain on fair value adjustment on investment properties	3,616	3,616
Rental income	620	1,928
Operating expense:		
Depreciation	459	1,470
Impairment loss on trade and other receivables	215	215
Loss on disposal of property, plant and equipment	(12)	1

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 31.12.2021 RM'000
Short term borrowings (Secured)	1,066
Long term borrowings (Secured)	32,525
Total	<u>33,591</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 31.12.2021	Preceding Year Corresponding Quarter 31.12.2020	Current Year-To-Date 31.12.2021	Preceding Year-To-Date 31.12.2020
Profits attributable to owners of the Company (RM'000)	<u>5,739</u>	<u>943</u>	<u>8,531</u>	<u>4,690</u>
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	<u>2.28</u>	<u>0.37</u>	<u>3.39</u>	<u>1.86</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 4TH QUARTER ENDED 31 DECEMBER 2021**

B11 Dividends Payable

The Board of Directors is proposing a final single tier dividend on ordinary share of 0.80 sen per share amounting to RM2,016,000 in respect of the financial year ended 31 December 2021 (2020: 0.80 sen per share), subject to approval by shareholders at the forthcoming Annual General Meeting.

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

25 February 2022