

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

UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022

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CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022

	<----- Individual Quarter ----->		<----- Cumulative Quarters ----->	
	Current Quarter Ended 30.09.2022 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 30.09.2021 (Unaudited) RM'000	Current Year-To-Date 30.09.2022 (Unaudited) RM'000	Preceding Year-To-Date 30.09.2021 (Unaudited) RM'000
Revenue	5,633	4,914	18,095	17,077
Operating expenses	(4,383)	(4,547)	(14,336)	(14,102)
Other operating income	736	805	2,055	1,541
Profit from operating activities	1,986	1,172	5,814	4,516
Finance income	104	65	297	195
Finance costs	(298)	(322)	(874)	(891)
Profit before tax	1,792	915	5,237	3,820
Taxation	(453)	(223)	(1,353)	(1,046)
Profit for the period	1,339	692	3,884	2,774
Total comprehensive income for the period	1,339	692	3,884	2,774
Total comprehensive income for the period				
Owners of the Company	1,349	690	3,936	2,792
Non-controlling interests	(10)	2	(52)	(18)
	<u>1,339</u>	<u>692</u>	<u>3,884</u>	<u>2,774</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>0.54</u>	<u>0.27</u>	<u>1.56</u>	<u>1.11</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 2021.)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

	As at End of Current Year Quarter 30.09.2022 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2021 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	21,148	21,431
Right-of-use assets	1,933	2,091
Investment properties	79,432	67,853
Goodwill on consolidation	641	641
Total Non-Current Assets	103,154	92,016
Current Assets		
Inventories	938	1,204
Trade and other receivables	6,119	6,511
Tax recoverable	188	329
Short-term investments	13,907	16,966
Cash and bank balances	2,918	3,134
Total Current Assets	24,070	28,144
TOTAL ASSETS	127,224	120,160
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	53,517	51,597
	78,717	76,797
Non-controlling interests	732	784
Total Equity	79,449	77,581
Non-Current Liabilities		
Long term borrowings (secured)	35,372	31,537
Lease liabilities	184	232
Deferred taxation	4,725	4,725
	40,281	36,494
Current Liabilities		
Trade and other payables	4,805	3,876
Amount due to directors	-	6
Lease liabilities	339	216
Bank overdraft	99	99
Short term borrowings (secured)	1,872	1,509
Provision for taxation	379	379
	7,494	6,085
Total Liabilities	47,775	42,579
TOTAL EQUITY AND LIABILITIES	127,224	120,160
Net assets per share attributable to owners of the Company (RM)	0.31	0.30

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021.)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022

	<----- 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>9 Months Ended 30 September 2022 (Unaudited)</u>						
Balance as at 1 January 2022	25,200	24,860	26,737	76,797	784	77,581
Total comprehensive income for the financial period	-	-	3,936	3,936	(52)	3,884
Dividend paid in respect of financial year ended 31 December 2021	-	-	(2,016)	(2,016)	-	(2,016)
Balance as at 30 September 2022	<u>25,200</u>	<u>24,860</u>	<u>28,657</u>	<u>78,717</u>	<u>732</u>	<u>79,449</u>

9 Months Ended 30 September 2021 (Unaudited)

Balance as at 1 January 2021	25,200	24,591	20,182	69,973	733	70,706
Total comprehensive income for the financial period	-	-	2,792	2,792	(18)	2,774
Dividend paid in respect of financial year ended 31 December 2020	-	-	(2,016)	(2,016)	-	(2,016)
Balance as at 30 September 2021	<u>25,200</u>	<u>24,591</u>	<u>20,958</u>	<u>70,749</u>	<u>715</u>	<u>71,464</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021.)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022

	9 Months Period Ended 30.09.2022 (Unaudited) RM'000	9 Months Corresponding Period Ended 30.09.2021 (Unaudited) RM'000
Cash flows from operating activities		
Profit before taxation	5,237	3,820
Adjustments for:		
Depreciation	1,085	1,011
Finance costs	874	891
Finance income	(297)	(195)
Loss on disposal of property, plant and equipment	3	13
Operating profit before working capital changes	<u>6,902</u>	<u>5,540</u>
Changes in working capital:		
Inventories	266	(133)
Trade & other receivables	392	293
Trade & other payables	929	(8,116)
Cash from/(used in) operations	<u>8,489</u>	<u>(2,416)</u>
Interest received	297	195
Interest paid	(874)	(891)
Income tax paid	(1,212)	(1,114)
Net cash from/(used in) operating activities	<u>6,700</u>	<u>(4,226)</u>
Cash flows from investing activities		
Purchase of investment properties	(11,579)	-
Purchase of property, plant and equipment	(1,384)	(702)
Proceeds from disposal of property, plant and equipment	737	12
Net cash used in investing activities	<u>(12,226)</u>	<u>(690)</u>
Cash flows from financing activities		
Drawdown of loan and borrowings, net of repayment	4,273	7,736
Repayment to directors	(6)	(12)
Dividend paid to owners of the company	(2,016)	(2,016)
Net cash from financing activities	<u>2,251</u>	<u>5,708</u>
Net changes in cash and cash equivalents	(3,275)	792
Cash and cash equivalent at beginning of period	<u>20,001</u>	<u>17,582</u>
Cash and cash equivalent at end of period	<u>16,726</u>	<u>18,374</u>
Cash and cash equivalents comprise the following:		
Short-term investments and fixed deposits	13,907	15,464
Cash and bank balances	2,918	3,008
Bank overdraft	(99)	(98)
Cash and cash equivalents at end of the period	<u>16,726</u>	<u>18,374</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021.)

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 2021. 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 2021.

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 2021, except as below:

Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards
Amendments to MFRS 3, Business Combinations
Amendments to MFRS 9, Financial Instruments
Amendments to MFRS 16, Leases
Amendments to MFRS 116, Property, Plant and Equipment
Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets
Amendments to Annual Improvements to MFRS Standards 2018-2020

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 2021 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

A final single-tier dividend on ordinary share of 0.80 sen per share amounting to RM2,016,000 (2020: RM2,016,000) in respect of the financial year ended 31 December 2021 was approved by the shareholders at the Company's Annual General Meeting held on 8 June 2022 and has been paid by the Company on 8 July 2022 to shareholders whose names appear in the Register of Depositors at the close of business on 28 June 2022.

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 September 2022 by the respective operating segments are as follows:

<u>Financial Period Ended 30.09.2022</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	15,614	2,481	-	-	18,095
Inter-segment revenue	231	3	1,213	(1,447)	-
Total revenue	<u>15,845</u>	<u>2,484</u>	<u>1,213</u>	<u>(1,447)</u>	<u>18,095</u>
RESULT					
Segment results (external)	6,276	685	(1,147)	-	5,814
Finance income	238	41	18	-	297
Finance costs	(837)	(37)	-	-	(874)
Profit before taxation	<u>5,677</u>	<u>689</u>	<u>(1,129)</u>	<u>-</u>	<u>5,237</u>
Taxation					(1,353)
Profit for the period					<u>3,884</u>
Non-controlling interests					52
Profit attributable to Owners of the Company					<u>3,936</u>

<u>Financial Period Ended 30.09.2021</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	15,090	1,987	-	-	17,077
Inter-segment revenue	149	4	1,125	(1,278)	-
Total revenue	<u>15,239</u>	<u>1,991</u>	<u>1,125</u>	<u>(1,278)</u>	<u>17,077</u>
RESULT					
Segment results (external)	4,881	735	(1,158)	58	4,516
Finance income	136	35	24	-	195
Finance costs	(843)	(48)	-	-	(891)
Profit before taxation	<u>4,174</u>	<u>722</u>	<u>(1,134)</u>	<u>-</u>	<u>3,820</u>
Taxation					(1,046)
Profit for the period					<u>2,774</u>
Non-controlling interests					18
Profit attributable to Owners of the Company					<u>2,792</u>

A9 Valuations of Properties

There was 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 September 2022; 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 2021.

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:

	30.09.2022 (Unaudited) RM'000
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	8,473
- 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:

	Current Year Quarter 30.09.2022 RM'000	Cumulative Year To Date 30.09.2022 RM'000
Management fees	413	1,213
Rental	40	122
Revenue	83	234

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 30.09.2022 RM'000	Preceding Year Corresponding Quarter Ended 30.09.2021 RM'000	Changes Amount RM'000	Changes %	Current Year-To-Date 30.09.2022 RM'000	Preceding Year-To-Date 30.09.2021 RM'000	Changes Amount RM'000	Changes %
Revenue	5,633	4,914	719	14.63	18,095	17,077	1,018	5.96
Operating Profit	1,986	1,172	814	69.45	5,814	4,516	1,298	28.74
Profit Before Tax	1,792	915	877	95.85	5,237	3,820	1,417	37.09
Profit After Tax	1,339	692	647	93.50	3,884	2,774	1,110	40.01
Profit Attributable to: Owners of the Company	1,349	690	659	95.51	3,936	2,792	1,144	40.97
Non-Controlling Interest	(10)	2	(12)	(600.00)	(52)	(18)	(34)	188.89

The Group's revenue for the current quarter ended 30 September 2022 showed an increase of 14.63% to RM5.633 million from RM4.914 million in the preceding corresponding year's quarter. The Group's profit before tax increased 95.85% to RM1.792 million as against preceding corresponding year's quarter of RM0.915 million.

The Group's revenue for the current financial year-to-date ended 30 September 2022 showed an increase of 5.96% to RM18.095 million from RM17.077 million in the preceding corresponding year's financial year-to-date. The Group's profit before tax increased by 37.09% to RM5.237 million as against preceding corresponding financial year-to-date of RM3.820 million.

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

Environmental products and services

This segment is the main contributor for the financial period ended 30 September 2022 as it comprised 86.29% of the total revenue.

For the financial period ended 30 September 2022, the revenue in environmental products and services increased by RM0.606 million or 3.98% to RM15.845 million as compared to RM15.239 million reported in the corresponding financial period ended 30 September 2021. The profit before tax for the financial period ended 30 September 2022 was increased by RM1.503 million or 36.01% to RM5.677 million as compared to RM4.174 million reported in the corresponding financial period ended 30 September 2021.

System equipment and ancillary products

This segment comprised 13.71% of the total revenue for the financial period ended 30 September 2022.

For the financial period ended 30 September 2022, the revenue in system equipment and ancillary products increased by RM0.493 million or 24.76% to RM2.484 million as compared to RM1.991 million reported in the corresponding financial period ended 30 September 2021. The profit before tax for the financial period ended 30 September 2022 decreased by RM0.033 million or 4.57% to RM0.689 million as compared to RM0.722 million reported in the corresponding financial period ended 30 September 2021.

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 30.09.2022 RM'000	Immediate Preceding Quarter 30.06.2022 RM'000	Changes Amount RM'000	Changes %
Revenue	5,633	6,319	(686)	(10.86)
Operating Profit	1,986	1,862	124	6.66
Profit Before Tax	1,792	1,674	118	7.05
Profit After Tax	1,339	1,222	117	9.57
Profit Attributable to: Owners of the Company	1,349	1,254	95	7.58
Non-Controlling Interest	(10)	(32)	22	(68.75)

For the current quarter under review, the Group recorded revenue of RM5.633 million, representing a decrease of 10.86% from the immediate preceding quarter's revenue of RM6.319 million. The Group's profit before tax for the current quarter increased by 7.05% to RM1.792 million as compared to the preceding quarter.

B3 Prospects for the Financial Year 2022

The Group expects the remaining financial year to be challenging while the gradual recovery of national economy from the COVID-19 pandemic after the uplift of 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 30.09.2022 RM'000	Preceding Year Corresponding Quarter 30.09.2021 RM'000	Current Year-To-Date 30.09.2022 RM'000	Preceding Year-To-Date 30.09.2021 RM'000
Income and deferred tax				
-Current	390	223	1,290	924
-Underprovision in prior year	63	-	63	122
	<u>453</u>	<u>223</u>	<u>1,353</u>	<u>1,046</u>

B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income

	Current Year Quarter 30.09.2022 (Unaudited) RM'000	Current Year-To-Date 30.09.2022 (Unaudited) RM'000
Other operating income:		
Bad debts recovered	71	119
Rental income	657	1,920
Operating expense:		
Depreciation	378	1,085
Loss on disposal of property, plant and equipment	4	3

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 30.09.2022 RM'000
Short term borrowings (Secured)	2,310
Long term borrowings (Secured)	35,556
Total	<u>37,866</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 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 30.09.2022	Preceding Year Corresponding Quarter 30.09.2021	Current Year-To-Date 30.09.2022	Preceding Year-To-Date 30.09.2021
Profits attributable to owners of the Company (RM'000)	1,349	690	3,936	2,792
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	0.54	0.27	1.56	1.11
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.

BRITE-TECH BERHAD

Registration No. 200101014455 (550212-U)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2022

B11 Dividends Payable

No dividend has been proposed for the financial period ended 30 September 2022.

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

29 November 2022