

BRITE-TECH BERHAD

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

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2023

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CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 1ST QUARTER ENDED 31 MARCH 2023

	<---- Individual Quarter ---->		<---- Cumulative Quarters ---->	
	Current Quarter Ended 31.03.2023 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 31.03.2022 (Unaudited) RM'000	Current Year-To-Date 31.03.2023 (Unaudited) RM'000	Preceding Year-To-Date 31.03.2022 (Unaudited) RM'000
Revenue	5,511	6,143	5,511	6,143
Operating expenses	(3,698)	(4,825)	(3,698)	(4,825)
Other operating income	202	648	202	648
Profit from operating activities	2,015	1,966	2,015	1,966
Finance income	108	90	108	90
Finance costs	(394)	(285)	(394)	(285)
Profit before tax	1,729	1,771	1,729	1,771
Taxation	(426)	(448)	(426)	(448)
Profit for the period	1,303	1,323	1,303	1,323
Total comprehensive income for the period	1,303	1,323	1,303	1,323
Total comprehensive income for the period				
Owners of the Company	1,324	1,333	1,324	1,333
Non-controlling interests	(21)	(10)	(21)	(10)
	<u>1,303</u>	<u>1,323</u>	<u>1,303</u>	<u>1,323</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>0.53</u>	<u>0.53</u>	<u>0.53</u>	<u>0.53</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 2022.)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	As at End of Current Year Quarter 31.03.2023 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2022 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	21,306	21,535
Right-of-use assets	2,449	2,482
Investment properties	90,070	83,317
Total Non-Current Assets	113,825	107,334
Current Assets		
Inventories	798	774
Trade and other receivables	6,087	6,206
Tax recoverable	237	238
Short-term investments	14,194	14,019
Fixed deposits with a licensed bank	-	235
Cash and bank balances	3,022	2,176
Total Current Assets	24,338	23,648
TOTAL ASSETS	138,163	130,982
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	59,021	57,697
	84,221	82,897
Non-controlling interests	790	811
Total Equity	85,011	83,708
Non-Current Liabilities		
Long term borrowings (secured)	41,910	35,457
Lease liabilities	367	367
Deferred taxation	5,323	5,323
	47,600	41,147
Current Liabilities		
Trade and other payables	3,791	3,479
Amount due to directors	7	-
Lease liabilities	176	245
Bank overdrafts	121	366
Short term borrowings (secured)	965	1,566
Provision for taxation	492	471
	5,552	6,127
Total Liabilities	53,152	47,274
TOTAL EQUITY AND LIABILITIES	138,163	130,982
Net assets per share attributable to owners of the Company (RM)	0.33	0.33

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022.)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE 1ST QUARTER ENDED 31 MARCH 2023

	<----- 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 2023</u>						
<u>(Unaudited)</u>						
Balance as at 1 January 2023	25,200	25,521	32,176	82,897	811	83,708
Total comprehensive income for the financial period	-	-	1,324	1,324	(21)	1,303
Balance as at 31 March 2023	<u>25,200</u>	<u>25,521</u>	<u>33,500</u>	<u>84,221</u>	<u>790</u>	<u>85,011</u>
<u>3 Months Ended 31 March 2022</u>						
<u>(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	-	-	1,333	1,333	(10)	1,323
Balance as at 31 March 2022	<u>25,200</u>	<u>24,860</u>	<u>28,070</u>	<u>78,130</u>	<u>774</u>	<u>78,904</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022.)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 1ST QUARTER ENDED 31 MARCH 2023

	3 Months Period Ended 31.03.2023 (Unaudited) RM'000	3 Months Corresponding Period Ended 31.03.2022 (Unaudited) RM'000
Cash flows from operating activities		
Profit before taxation	1,729	1,771
Adjustments for:		
Depreciation	396	353
Finance costs	394	285
Finance income	(108)	(90)
Gain on disposal of property, plant and equipment	(3)	-
Impairment loss on receivables	3	-
Plant and equipment written off	1	-
Operating profit before working capital changes	<u>2,412</u>	<u>2,319</u>
Changes in working capital:		
Inventories	(24)	(332)
Trade & other receivables	116	(198)
Trade & other payables	312	775
Cash from operations	<u>2,816</u>	<u>2,564</u>
Interest received	108	90
Interest paid	(394)	(285)
Income tax paid	(404)	(353)
Net cash from operating activities	<u>2,126</u>	<u>2,016</u>
Cash flows from investing activities		
Purchase of investment properties	(6,753)	-
Purchase of property, plant and equipment	(135)	(767)
Proceeds from disposal of property, plant and equipment	3	-
Net cash used in investing activities	<u>(6,885)</u>	<u>(767)</u>
Cash flows from financing activities		
Drawdown of loan and borrowings, net of repayment (Advance from)/Repayment to directors	5,783	(95)
	7	(2)
Net cash from/(used in) financing activities	<u>5,790</u>	<u>(97)</u>
Net changes in cash and cash equivalents	1,031	1,152
Cash and cash equivalent at beginning of period	<u>16,064</u>	<u>20,001</u>
Cash and cash equivalent at end of period	<u>17,095</u>	<u>21,153</u>
Cash and cash equivalents comprise the following:		
Short-term investments and fixed deposits	14,194	17,354
Cash and bank balances	3,022	3,898
Bank overdraft	(121)	(99)
Cash and cash equivalents at end of the period	<u>17,095</u>	<u>21,153</u>

(The Interim Financial Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2022.)

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 2022. 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 2022.

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 2022, except as below:

MFRS 17, Insurance Contracts
Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 112, Income Taxes

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 2022 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 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.

A8 Segmental Information

Segment revenue and segment results for the financial period ended 31 March 2023 by the respective operating segments are as follows:

Financial Period Ended 31.03.2023	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	4,215	753	543	-	5,511
Inter-segment revenue	82	2	451	(535)	-
Total revenue	<u>4,297</u>	<u>755</u>	<u>994</u>	<u>(535)</u>	<u>5,511</u>
RESULT					
Segment results (external)	1,236	207	572	-	2,015
Finance income	89	18	1	-	108
Finance costs	(61)	(14)	(319)	-	(394)
Profit before taxation	<u>1,264</u>	<u>211</u>	<u>254</u>	<u>-</u>	<u>1,729</u>
Taxation					(426)
Profit for the period					<u>1,303</u>
Non-controlling interests					21
Profit attributable to Owners of the Company					<u>1,324</u>

Financial Period Ended 31.03.2022	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	5,368	775	-	-	6,143
Inter-segment revenue	105	1	425	(531)	-
Total revenue	<u>5,473</u>	<u>776</u>	<u>425</u>	<u>(531)</u>	<u>6,143</u>
RESULT					
Segment results (external)	2,198	249	(481)	-	1,966
Finance income	73	13	4	-	90
Finance costs	(273)	(12)	-	-	(285)
Profit before taxation	<u>1,998</u>	<u>250</u>	<u>(477)</u>	<u>-</u>	<u>1,771</u>
Taxation					(448)
Profit for the period					<u>1,323</u>
Non-controlling interests					10
Profit attributable to Owners of the Company					<u>1,333</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 31 March 2023; 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 2022.

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:

	31.03.2023 (Unaudited) RM'000
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	17,708
- Approved but not contracted for	33,170

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 31.03.2023 RM'000	Cumulative Year To Date 31.03.2023 RM'000
Management fees	413	413
Rental	41	41
Purchases	84	84

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 31.03.2023 RM'000	Preceding Year Corresponding Quarter Ended 31.03.2022 RM'000	Changes Amount RM'000	Changes %	Current Year-To-Date 31.03.2023 RM'000	Preceding Year-To-Date 31.03.2022 RM'000	Changes Amount RM'000	Changes %
	Revenue	5,511	6,143	(632)	(10.29)	5,511	6,143	(632)
Operating Profit	2,015	1,966	49	2.49	2,015	1,966	49	2.49
Profit Before Tax	1,729	1,771	(42)	(2.37)	1,729	1,771	(42)	(2.37)
Profit After Tax	1,303	1,323	(20)	(1.51)	1,303	1,323	(20)	(1.51)
Profit Attributable to: Owners of the Company	1,324	1,333	(9)	(0.68)	1,324	1,333	(9)	(0.68)
Non-Controlling Interest	(21)	(10)	(11)	110.00	(21)	(10)	(11)	110.00

The Group's revenue for the current quarter ended 31 March 2023 showed a decrease of 10.29% to RM5.511 million from RM6.143 million in the preceding corresponding year's quarter. The Group's profit before tax decreased by 2.37% to RM1.729 million as against preceding corresponding year's quarter of RM1.771 million.

The Group's revenue for the current financial year-to-date ended 31 March 2023 showed a decrease of 10.29% to RM5.511 million from RM6.143 million in the preceding corresponding year's financial year-to-date. The Group's profit before tax decreased by 2.37% to RM1.729 million as against preceding corresponding financial year-to-date of RM1.771 million.

The Group's profit before tax for the current quarter and for the current financial year-to-date is marginally lower contributed by lower revenue achieved and off set by lower operating expenses.

Environmental products and services

This segment is the main contributor for the financial period ended 31 March 2023 as it comprised 76.48% of the total revenue.

For the financial period ended 31 March 2023, the revenue in environmental products and services decreased by RM1.176 million or 21.49% to RM4.297 million as compared to RM5.473 million reported in the corresponding financial period ended 31 March 2022. The profit before tax for the financial period ended 31 March 2023 was decreased by RM0.734 million or 36.74% to RM1.264 million as compared to RM1.998 million reported in the corresponding financial period ended 31 March 2022.

System equipment and ancillary products

This segment comprised 13.67% of the total revenue for the financial period ended 31 March 2023.

For the financial period ended 31 March 2023, the revenue in system equipment and ancillary products decreased by RM0.021 million or 2.71% to RM0.755 million as compared to RM0.776 million reported in the corresponding financial period ended 31 March 2022. The profit before tax for the financial period ended 31 March 2023 decreased by RM0.039 million or 15.6% to RM0.211 million as compared to RM0.25 million reported in the corresponding financial period ended 31 March 2022.

Investments

This segment comprised 9.85% of the total revenue for the financial period ended 31 March 2023.

For the financial period ended 31 March 2023, the revenue in investments increased by RM0.569 million or 133.88% to RM0.994 million as compared to RM0.425 million reported in the corresponding financial period ended 31 March 2022. The profit before tax for the financial period ended 31 March 2023 increased by RM0.731 million or 153.25% to RM0.254 million as compared to loss before tax at RM0.477 million reported in the corresponding financial period ended 31 March 2022.

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 31.03.2023 RM'000	Immediate Preceding Quarter 31.12.2022 RM'000	Changes Amount RM'000	Changes %
Revenue	5,511	7,545	(2,034)	(26.96)
Operating Profit	2,015	5,055	(3,040)	(60.14)
Profit Before Tax	1,729	4,109	(2,380)	(57.92)
Profit After Tax	1,303	3,540	(2,237)	(63.19)
Profit Attributable to: Owners of the Company	1,324	3,532	(2,208)	(62.51)
Non-Controlling Interest	(21)	8	(29)	(362.50)

For the current quarter under review, the Group recorded revenue of RM5.511 million, representing a decrease of 26.96% from the immediate preceding quarter's revenue of RM7.545 million. The Group's profit before tax for the current quarter decreased by 57.92% to RM1.729 million as compared to the preceding quarter.

B3 Prospects for the Financial Year 2023

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 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 Preceding Year		Cumulative Quarters	
	Current Year Quarter 31.03.2023 RM'000	Corresponding Quarter 31.03.2022 RM'000	Current Year-To-Date 31.03.2023 RM'000	Preceding Year-To-Date 31.03.2022 RM'000
Income and deferred tax				
-Current	426	448	426	448
	<u>426</u>	<u>448</u>	<u>426</u>	<u>448</u>

B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income

	Current Year Quarter 31.03.2023 (Unaudited) RM'000	Current Year-To-Date 31.03.2023 (Unaudited) RM'000
Other operating income:		
Bad debt recovered	-	-
Gain on disposal of property, plant and equipment	3	3
Rental income	111	111
Operating expense:		
Depreciation	396	396
Impairment loss on trade and other receivables	3	3
Plant and equipment written off	1	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 31.03.2023 RM'000
Short term borrowings (Secured)	1,262
Long term borrowings (Secured)	42,277
Total	<u>43,539</u>

Bank overdraft of RM 0.121 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 31.03.2023	Preceding Year Corresponding Quarter 31.03.2022	Current Year-To-Date 31.03.2023	Preceding Year-To-Date 31.03.2022
Profits attributable to owners of the Company (RM'000)	1,324	1,333	1,324	1,333
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	0.53	0.53	0.53	0.53
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 2023.

b) 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 2022 (2021: 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
29 May 2023