

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

UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

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CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 4TH QUARTER ENDED 31 DECEMBER 2023

	<---- Individual Quarter ---->		<---- Cumulative Quarters ---->	
	Current Quarter Ended 31.12.2023 (Unaudited) RM'000	Preceding Year Corresponding Quarter Ended 31.12.2022 (Unaudited) RM'000	Current Year-To-Date 31.12.2023 (Unaudited) RM'000	Preceding Year-To-Date 31.12.2022 (Unaudited) RM'000
Revenue	7,189	7,545	25,100	25,640
Operating expenses	(5,335)	(4,002)	(17,322)	(18,338)
Other operating income	2,891	1,512	3,348	3,567
Profit from operating activities	4,745	5,055	11,126	10,869
Impairment of goodwill	-	(641)	-	(641)
Finance income	119	89	448	386
Finance costs	(621)	(394)	(1,999)	(1,268)
Profit before tax	4,243	4,109	9,575	9,346
Taxation	(627)	(569)	(2,005)	(1,922)
Profit for the period	3,616	3,540	7,570	7,424
Other comprehensive income for the period, net of tax	244	679	322	679
Total comprehensive income for the period	3,860	4,219	7,892	8,103
Profit for the period				
Owners of the Company	3,339	3,532	7,337	7,468
Non-controlling interests	277	8	233	(44)
	<u>3,616</u>	<u>3,540</u>	<u>7,570</u>	<u>7,424</u>
Total comprehensive income for the period				
Owners of the Company	3,583	4,138	7,628	8,074
Non-controlling interests	277	81	264	29
	<u>3,860</u>	<u>4,219</u>	<u>7,892</u>	<u>8,103</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>1.33</u>	<u>1.40</u>	<u>2.91</u>	<u>2.96</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 DECEMBER 2023

	As at End of Current Year Quarter 31.12.2023 (Unaudited) RM'000	As at Preceding Financial Year End 31.12.2022 (Audited) RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	21,125	21,535
Right-of-use assets	1,298	2,482
Investment properties	98,120	83,317
Total Non-Current Assets	120,543	107,334
Current Assets		
Inventories	814	774
Trade and other receivables	6,613	6,206
Tax recoverable	706	238
Short-term investments	14,320	14,019
Fixed deposits with licensed banks	1,000	235
Cash and bank balances	4,088	2,176
Total Current Assets	27,541	23,648
TOTAL ASSETS	148,084	130,982
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	25,200	25,200
Reserves	63,309	57,697
	88,509	82,897
Non-controlling interests	875	811
Total Equity	89,384	83,708
Non-Current Liabilities		
Long term borrowings (secured)	45,797	35,457
Lease liabilities	149	367
Deferred taxation	5,700	5,323
	51,646	41,147
Current Liabilities		
Trade and other payables	4,353	3,479
Lease liabilities	220	245
Bank overdrafts	328	366
Amount due to directors	2	-
Short term borrowings (secured)	1,671	1,566
Provision for taxation	480	471
	7,054	6,127
Total Liabilities	58,700	47,274
TOTAL EQUITY AND LIABILITIES	148,084	130,982
Net assets per share attributable to owners of the Company (RM)	0.35	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 4TH QUARTER ENDED 31 DECEMBER 2023

	<----- Attributable to owners of the Company ----->			Total Shareholders' Equity RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Revaluation Reserves RM'000	Retained Profits RM'000			
<u>12 Months Ended 31 December 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	-	291	7,337	7,628	264	7,892
Dividend						
- By subsidiary to non-controlling interests	-	-		-	(200)	(200)
Dividend paid in respect of financial year ended 31 December 2022	-	-	(2,016)	(2,016)	-	(2,016)
Balance as at 31 December 2023	25,200	25,812	37,497	88,509	875	89,384
<u>12 Months Ended 31 December 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	-	606	7,468	8,074	29	8,103
Dividend paid in respect of financial year ended 31 December 2021	-	-	(2,016)	(2,016)	-	(2,016)
Balance as at 31 December 2022	25,200	25,466	32,189	82,855	813	83,668

(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 4TH QUARTER ENDED 31 DECEMBER 2023

	12 Months Period Ended 31.12.2023 (Unaudited) RM'000	12 Months Corresponding Period Ended 31.12.2022 (Unaudited) RM'000
Cash flows from operating activities		
Profit before taxation	9,575	9,346
Adjustments for:		
Depreciation	1,560	1,387
Finance costs	1,999	1,268
Finance income	(448)	(386)
Gain on disposal of property, plant and equipment	(866)	(12)
Gain on fair value adjustment of investment properties	(1,821)	(2,738)
Impairment loss on receivables	27	319
Impairment loss on goodwill	-	641
Plant and equipment written off	2	-
Unrealised gain on foreign exchange	-	(3)
Operating profit before working capital changes	<u>10,028</u>	<u>9,822</u>
Changes in working capital:		
Inventories	(40)	430
Trade & other receivables	380	(22)
Trade & other payables	874	(292)
Cash from operations	<u>11,242</u>	<u>9,938</u>
Interest received	448	386
Interest paid	(1,999)	(1,268)
Income tax paid	(2,131)	(1,198)
Net cash from operating activities	<u>7,560</u>	<u>7,858</u>
Cash flows from investing activities		
Purchase of investment properties	(12,982)	(12,727)
Purchase of property, plant and equipment	(895)	(1,928)
Proceeds from disposal of property, plant and equipment	1,383	737
Net cash used in investing activities	<u>(12,494)</u>	<u>(13,918)</u>
Cash flows from financing activities		
Drawdown of loan and borrowings, net of repayment	10,164	4,412
Advance from/(repayment to) directors	2	(6)
Dividend paid to non-controlling interest	(200)	-
Dividend paid to owners of the company	(2,016)	(2,016)
Net cash from financing activities	<u>7,950</u>	<u>2,390</u>
Net changes in cash and cash equivalents	3,016	(3,670)
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>19,080</u>	<u>16,331</u>
Cash and cash equivalents comprise the following:		
Short-term investments and fixed deposits	15,320	14,019
Cash and bank balances	4,088	2,412
Bank overdrafts	(328)	(100)
Cash and cash equivalents at end of the period	<u>19,080</u>	<u>16,331</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

A final single-tier dividend on ordinary share of 0.80 sen per share amounting to RM2,016,000 (2021: RM2,016,000) in respect of the financial year ended 31 December 2022 was approved by the shareholders at the Company's Annual General Meeting held on 2 June 2023 and has been paid by the Company on 7 July 2023 to shareholders whose names appear in the Register of Depositors at the close of business on 20 June 2023.

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 2023 by the respective operating segments are as follows:

Financial Period Ended 31.12.2023	Environmental	System	Investments	Inter-	Group
	products and	equipment		segment	
	services	and ancillary		Eliminations	
	RM'000	products	RM'000	RM'000	RM'000
REVENUE					
External revenue	19,798	2,955	2,347	-	25,100
Inter-segment revenue	394	6	1,844	(2,244)	-
Total revenue	20,192	2,961	4,191	(2,244)	25,100
RESULT					
Segment results (external)	9,663	938	522	3	11,126
Finance income	361	80	7	-	448
Finance costs	(253)	(57)	(1,689)	-	(1,999)
Profit/(loss) before taxation	9,771	961	(1,160)	3	9,575
Taxation					(2,005)
Profit for the period					7,570
Non-controlling interests					233
Profit attributable to Owners of the Company					7,337

Financial Period Ended 31.12.2022	Environmental	System	Investments	Inter-	Group
	products and	equipment		segment	
	services	and ancillary		Eliminations	
	RM'000	products	RM'000	RM'000	RM'000
REVENUE					
External revenue	22,381	3,259	-	-	25,640
Inter-segment revenue	528	5	1,625	(2,158)	-
Total revenue	22,909	3,264	1,625	(2,158)	25,640
RESULT					
Segment results (external)	11,695	933	(2,063)	304	10,869
Finance income	308	57	21	-	386
Finance costs	(1,217)	(51)	-	-	(1,268)
Impairment of goodwill	-	-	-	-	(641)
Profit/(loss) before taxation	10,786	939	(2,042)	-	9,346
Taxation					(1,922)
Profit for the period					7,424
Non-controlling interests					44
Profit attributable to Owners of the Company					7,468

A9 Valuations of Properties

During the current quarter under review, the Group has carried out 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

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 December 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:

	31.12.2023 (Unaudited) RM'000
Capital expenditures not provided for in the financial statements	
- Approved and contracted for	14,570
- 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 31.12.2023 RM'000	Cumulative Year To Date 31.12.2023 RM'000
Management fees	452	1,690
Rental	41	163
Purchases	227	400

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 31.12.2023 RM'000	Preceding Year Corresponding Quarter Ended 31.12.2022 RM'000	Changes Amount RM'000	Changes %	Current Year-To-Date 31.12.2023 RM'000	Preceding Year-To-Date 31.12.2022 RM'000	Changes Amount RM'000	Changes %
	Revenue	7,189	7,545	(356)	(4.72)	25,100	25,640	(540)
Operating Profit	4,745	5,055	(310)	(6.13)	11,126	10,869	257	2.36
Profit Before Tax	4,243	4,109	134	3.26	9,575	9,346	229	2.45
Profit After Tax	3,616	3,540	76	2.15	7,570	7,424	146	1.97
Profit Attributable to: Owners of the Company	3,339	3,532	(193)	(5.46)	7,337	7,468	(131)	(1.75)
Non-Controlling Interest	277	8	269	3,362.50	233	(44)	277	(629.55)

The Group's revenue for the current quarter ended 31 December 2023 showed a slight decrease of 4.72% to RM7.189 million from RM7.545 million in the preceding corresponding year's quarter. The Group's profit before tax increased slightly by 3.26% to RM4.243 million as against preceding corresponding year's quarter of RM4.109 million.

The Group's revenue for the current financial year-to-date ended 31 December 2023 showed a slight decrease of 2.11% to RM25.1 million from RM25.64 million in the preceding corresponding year's financial year-to-date. The Group's profit before tax increased slightly by 2.45% to RM9.575 million as against preceding corresponding financial year-to-date of RM9.346 million.

The Group's profit before tax for the current quarter is slightly higher contributed by higher operating income while the Group's profit before tax for the current financial year-to-date is slightly higher contributed by lower operating expenses.

Environmental products and services

This segment is the main contributor for the financial period ended 31 December 2023 as it comprised 78.88% of the total revenue.

For the financial period ended 31 December 2023, the revenue in environmental products and services decreased by RM2.717 million or 11.86% to RM20.192 million as compared to RM22.909 million reported in the corresponding financial period ended 31 December 2022. The profit before tax for the financial period ended 31 December 2023 was decreased by RM1.015 million or 9.41% to RM9.771 million as compared to RM10.786 million reported in the corresponding financial period ended 31 December 2022.

System equipment and ancillary products

This segment comprised 11.77% of the total revenue for the financial period ended 31 December 2023.

For the financial period ended 31 December 2023, the revenue in system equipment and ancillary products decreased by RM0.303 million or 9.28% to RM2.961 million as compared to RM3.264 million reported in the corresponding financial period ended 31 December 2022. The profit before tax for the financial period ended 31 December 2023 increased by RM0.022 million or 2.34% to RM0.961 million as compared to RM0.939 million reported in the corresponding financial period ended 31 December 2022.

Investments

This segment comprised 9.35% of the total revenue for the financial period ended 31 December 2023.

For the financial period ended 31 December 2023, the revenue in investments increased by RM2.566 million or 157.91% to RM4.191 million as compared to RM1.625 million reported in the corresponding financial period ended 31 December 2022. The loss before tax for the financial period ended 31 December 2023 decreased by RM0.882 million or 43.19% to RM1.16 million as compared to loss before tax at RM2.042 million reported in the corresponding financial period ended 31 December 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 31.12.2023 RM'000	Immediate Preceding Quarter 30.09.2023 RM'000	Changes Amount RM'000	Changes %
Revenue	7,189	6,587	602	9.14
Operating Profit	4,745	2,374	2,371	99.87
Profit Before Tax	4,243	1,972	2,271	115.16
Profit After Tax	3,616	1,426	2,190	153.58
Profit Attributable to: Owners of the Company	3,339	1,436	1,903	132.52
Non-Controlling Interest	277	(10)	287	(2,870.00)

For the current quarter under review, the Group recorded revenue of RM7.189 million, representing an increase of 9.14% from the immediate preceding quarter's revenue of RM6.587 million. The Group's profit before tax for the current quarter increased by 115.16% to RM4.243 million as compared to the preceding quarter.

B3 Prospects for the Financial Year 2024

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 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 31.12.2023 RM'000	Preceding Year Corresponding Quarter 31.12.2022 RM'000	Current Year-To-Date 31.12.2023 RM'000	Preceding Year-To-Date 31.12.2022 RM'000
Income and deferred tax				
-Current	481	548	1,779	1,838
-Underprovision in prior year	146	21	226	84
	<u>627</u>	<u>569</u>	<u>2,005</u>	<u>1,922</u>

B6 Additional Notes to Condensed Consolidated Statements of Comprehensive Income

	Current Year Quarter 31.12.2023 (Unaudited) RM'000	Current Year-To-Date 31.12.2023 (Unaudited) RM'000
Other operating income:		
Bad debt recovered	90	104
Gain on disposal of property, plant and equipment	862	866
Gain on fair value adjustment on investment properties	1,821	1,821
Rental income	106	446
Operating expense:		
Depreciation	390	1,560
Impairment loss on trade and other receivables	24	27
Plant and equipment written off	-	2

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 31.12.2023 RM'000
Short term borrowings (Secured)	2,219
Long term borrowings (Secured)	45,946
Total	<u>48,165</u>

Bank overdraft of RM 0.328 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	Preceding Year	Current	Preceding
	Quarter	Corresponding	Year-To-Date	Year-To-Date
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Profits attributable to owners of the Company (RM'000)	3,339	3,532	7,337	7,468
Weighted average number of shares in issue ('000)	252,000	252,000	252,000	252,000
Basic earnings per share (sen)	1.33	1.40	2.91	2.96
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 is proposing a final single tier dividend on ordinary share of 1.0 sen per share amounting to RM2,520,000 in respect of the financial year ended 31 December 2023 (2022: 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
28 February 2024