

**WINTONI GROUP BERHAD**  
(formerly known as Winsun Technologies Berhad)  
(Company No: 766535 P)  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2014**

	AS AT 31.03.2014	AS AT 31.12.2013
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current asset</b>		
Property, plant and equipment	5,155	1,094
Intangible asstes - Software development cost	281	-
	<u>5,435</u>	<u>1,094</u>
<b>Current assets</b>		
Inventories	171	542
Trade receivables	9,966	5,979
Amount due from customers on contracts	6,816	7,077
Other receivables, deposit and prepayment	26,987	8,815
Tax recoverable	1	-
Cash and bank balances	7,409	2,332
	<u>51,350</u>	<u>24,744</u>
<b>TOTAL ASSETS</b>	<u>56,785</u>	<u>25,839</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the company</b>		
Share capital	51,300	33,000
Share premium	10,320	-
Reserves	1,073	2,922
Accumulated losses	(15,894)	(15,243)
	<u>46,799</u>	<u>20,678</u>
Non-controlling interest	-	-
Total Equity	<u>46,799</u>	<u>20,678</u>
<b>Non-current liability</b>		
Finance lease liability	30	-
<b>Current Liabilities</b>		
Trade payables	3,146	419
Other payables	6,768	4,717
Tax payable	19	25
Finance lease liability	23	-
	<u>9,956</u>	<u>5,161</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>56,785</u>	<u>25,839</u>
<b>Net assets per share attributable to ordinary equity holders of the Company (sen)</b>	<b>9.12</b>	<b>6.27</b>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE PERIOD ENDED 31 MARCH 2014**

	Unaudited		Unaudited	
	Unaudited		Unaudited	
	Unaudited		Unaudited	
	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2014	Preceding year Corresponding Quarter 31.3.2013	Current Year To Date 31.03.2014	Preceding Corresponding Year To Date 31.3.2013
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	6,991	2,698	6,991	2,698
Cost of sales	(5,574)	(2,160)	(5,574)	(2,160)
<b>Gross profit</b>	1,417	538	1,417	538
Other income	2,786	116	2,786	116
Selling, distribution and other expenses	(43)	(68)	(43)	(68)
Administrative expenses	(1,064)	(1,338)	(1,064)	(1,338)
Other expenses	(3,524)	-	(3,524)	-
<b>Loss from operations</b>	(429)	(752)	(429)	(752)
Finance costs	(1)	(2)	(1)	(2)
<b>Loss before taxation</b>	(430)	(754)	(430)	(754)
Taxation	-	-	-	-
<b>Loss after taxation</b>	(430)	(754)	(430)	(754)
<b>Attributable to:-</b>				
Equity holder of the parent	(430)	(754)	(430)	(754)
Non-controlling interests	-	-	-	-
	(430)	(754)	(430)	(754)
<b>Loss per share (sen)</b>	(0.13)	(0.25)	(0.13)	(0.25)
<b>Diluted loss per share (sen)</b>	-	-	-	-

The Unaudited Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE YEAR ENDED 31 MARCH 2014**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	Current Year <b>Quarter</b> 31.03.2014 <b>RM'000</b>	Preceding year Corresponding <b>Quarter</b> 31.3.2013 <b>RM'000</b>	Current Year <b>To Date</b> 31.03.2014 <b>RM'000</b>	Preceding Corresponding <b>Year To Date</b> 31.3.2013 <b>RM'000</b>
<b>Loss for the period</b>	(430)	(754)	(430)	(754)
Other comprehensive income/(loss):				
Exchange difference on translation of foreign operations	198	140	(1,953)	140
Other comprehensive loss for the period	198	140	(1,953)	140
<b>Total comprehensive loss for the period</b>	<b>(232)</b>	<b>(614)</b>	<b>(2,383)</b>	<b>(614)</b>
<b>Attributable to:-</b>				
Equity holder of the Company	(232)	(614)	(2,383)	(614)
Non-controlling interests	-	-	-	-
	<b>(232)</b>	<b>(614)</b>	<b>(2,383)</b>	<b>(614)</b>

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2014**

Group	Attributable to equity holders of the Company			Distributable		Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Statutory Reserve RM'000	Exchange Fluctuation Reserve RM'000	Unappropriated Losses RM'000	
<b>For the year ended 31 March 2014</b>						
Balance at 01 January 2014	33,000	1	524	1,429	(15,464)	19,490
Issuance of share capital	18,300	-	-	-	-	18,300
Total comprehensive profit/(loss) for the period	-	10,320	109	(1,953)	(430)	8,046
Balance at 31 March 2014	<u>51,300</u>	<u>10,321</u>	<u>633</u>	<u>(524)</u>	<u>(15,894)</u>	<u>45,836</u>
<b>For the Period Ended 31 March 2013</b>						
Balance at 01 January 2013	30,000	1	524	1,289	(12,564)	19,250
Total comprehensive profit/(loss) for the period	-	-	-	140	(754)	(614)
Balance at 31 March 2013	<u>30,000</u>	<u>1</u>	<u>524</u>	<u>1,429</u>	<u>(13,318)</u>	<u>18,636</u>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
 FOR THE YEAR ENDED 31 MARCH 2014**

	Year-to-date ended	
	31.03.2014	31.3.2013
	RM'000	RM'000
	(Unaudited)	(Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(430)	(754)
Adjustments for:		
Non-cash items	(8,323)	181
<b>Operating loss before working capital changes</b>	<u>(8,753)</u>	<u>(573)</u>
Decrease/(Increase) in inventories	999	(418)
Increase in trade and other receivables	(6,562)	(951)
Increase/(Decrease) in trade and other payables	4,431	1,815
Decrease in amount due from customers on contracts	(1,355)	(1,091)
<b>Cash used in operations</b>	<u>(11,240)</u>	<u>(1,218)</u>
Tax paid	20	(152)
Interest received	10	32
Interest paid	-	(2)
<b>Net cash used in operating activities</b>	<u>(11,210)</u>	<u>(1,340)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Subsidiaries	(4,500)	-
Issuance of share capital	18,300	-
<b>Net cash from/(used in) investing activities</b>	<u>13,800</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of finance lease liability	(8)	(16)
<b>Net cash used in financing activity</b>	<u>(8)</u>	<u>(16)</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Net changes	2,582	(1,356)
Bought forward	4,908	5,515
Effects of exchange rate changes	(81)	47
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<u>7,409</u>	<u>4,206</u>

**Note:**

The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statement for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements.

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**NOTES TO INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 MARCH 2014**

**1.0 EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134 INTERIM FINANCIAL REPORTING**

**1.1 Corporate information**

Wintoni Group Berhad ("Wintoni") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the ACE Market of Bursa Malaysia Securities Berhad.

The particulars of the subsidiary companies in the Group are as follows:-

	Name of Company	Place of Incorporation	Effective Equity Interest		Principal Activities
			2014 %	2013 %	
1.	Shanghai Winner Electrical Co Ltd ("Winner")	The People's Republic of China	100	100	Engaged in the business of solution provider and system designer for automation systems.
2.	Shanghai Winco Electrical Co. Ltd ("WinCo")	The People's Republic of China	100	100	Engaged in the business of solution provider and system designer of sophisticated and high-end automation systems.
3.	Winsun Engineering Sdn. Bhd.	Malaysia	100	100	Engaged in the business of solution provider, system designer of automation systems and research and development.
4.	Wintoni Power Sdn. Bhd.	Malaysia	100	100	Engaged in the business of solution provider, system designer of automation systems and research and development.
5.	Planet Wireless Holdings Limited	Anguilla	100	-	Engaged in the business of Mobile Application Gateway and Mobile Internet Platform Services.

**1.2 Basis of preparation**

These condensed consolidated interim financial statements, for the financial period ended 31 March 2014, have been prepared in accordance with MFRS 134 Interim Financial Reporting and Rule 9.22 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2013. The explanatory notes attached to these condensed consolidated 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 year ended 31 December 2013.

**1.3 Qualification of financial statements**

There was no audit qualification reported in audited financial statements of the Group for the financial year ended 31 December 2013.

**1.4 Seasonal or cyclical factors**

There were no seasonal or cyclical factors affecting the results of the Group for the current quarter under review.

**1.5 Unusual items affecting assets, liabilities, equity, net income or cash flows**

During the quarter under review, there were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

**1.6 Material changes in estimates**

There were no changes in nature and estimates of amounts reported that have a material effect in the current quarter under review.

**1.7 Debts and equity securities**

There were no issuance, repurchase, cancellation, resale and repayment of debt and equity securities during the current quarter under review.

**1.8 Dividend**

There was no dividend paid during the current quarter under review.

## 1.9 Segmental information

The segmental analysis of revenue and profit before taxation of the Group for the financial period ended 31 March 2014 is tabulated below:

Segment	Malaysia RM	The People's Republic of China RM	Elimination RM	Total RM
Revenue	3,906,351	3,084,344	-	6,990,695
(Loss)/Profit before taxation	(1,616,041)	259,918	926,336	(429,787)

## 1.10 Valuation of property, plant and equipment

The Group did not carry out any valuation on its property, plant and equipment during the current quarter under review.

## 1.11 Material event subsequent to the end of the reporting period

On 07 April 2014, on behalf of the Board, KAF Investment Bank Berhad announced that the Company is propose undertake the following proposals as below:

- i) proposed reduction of the issued and paid-up share capital of Wintoni pursuant to Section 64 of the Companies Act, 1965 involving the cancellation of RM0.05 of the par value of every existing ordinary share of RM0.10 each in Wintoni ("Existing Shares") ("Proposed Par Value Reduction");
- ii) proposed increase in the authorised share capital of Wintoni from RM100,000,000 comprising 1,000,000,000 Existing Shares to RM500,000,000 comprising 10,000,000,000 ordinary shares of RM0.05 each in Wintoni ("Proposed Increase in Authorised Share Capital"); and
- iii) proposed amendments to the Memorandum and Articles of Association of Wintoni to facilitate the Proposed Par Value Reduction and the Proposed Increase in Authorised Share Capital.

Pursuant to the above corporate exercise proposal, on 14 May 2014, the Company has finalised and circulated the Circular to the shareholder for deliberation on the Extraordinary General Meeting ("EGM") on 5 June 2014.

As of the date of this report, the above proposal is still in progress.

## 1.12 Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

## 1.13 Contingent liabilities or contingent assets

The Group does not have any contingent liabilities or contingent assets as at 31 March 2014.

## 1.14 Significant related party transactions

There were no significant related party transactions during the current quarter under review.

## 2.0 EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE ACE MARKET

### 2.1 Review of the performance

The Group registered the revenue of RM7.0 million and loss before tax of RM0.43 million in current quarter as compared to revenue and loss before tax of RM2.7 million and RM0.75 million respectively in the preceding year's corresponding quarter. The Group's sales increase in the overall pickup growth market momentum which concerning the stability on marcoeconomic condition. The sales contribution on the new business-Mobile Web Platform strengthen the overall performance on revenue of the Group. The management's continuous focus on operational efficiency and cost saving measures in order to remain competitive to improve the profit of the Group.

### 2.2 Comparison with immediate preceding quarter

	Current Quarter Ended 31-Mar-14 RM'000	Immediate Preceding Quarter Ended 31-Dec-13 RM'000
Revenue	6,991	4,659
(Loss)/Profit before tax	(430)	(1,099)

Revenue for the current quarter increased by 33% to RM7 million from RM4.66 million in the immediate preceding quarter and recorded loss before tax of RM0.43 million compare with profit before tax of RM0.04 million in immediate preceding quarter. The sales increase mainly due to project installation. The decrease loss before tax due to better control on operating cost that pressure on profit margin.

### 2.3 Prospects

China division will remain the major contribution to the Group's revenue. Besides the global financial uncertainty in US, the Euro Zone and volatile currencies movement, the uncertainties in China's internal inflationary pressure, rising labour costs and high material prices have already impacted on the Group's financial performance in 2013.

Despite the above, the Management will continuously focus on operation efficiency and cost saving measures and be competitive against our competition in the industrial automation industry. Furthermore, WinSun Group has built up a comprehensive technical and engineering team equipped with domain knowledge in many niche process and non-process industries. From feasibility and front-end studies to design and detailed engineering specifications, the Group will continue to improve in our core Intelligent Industrial Control Management System ("IICMS"). These competitive advantages put Winsun in good position to sustain through the competitive economic situation and achieve satisfactory performance in next financial year.

Furthermore, the Group is also looking into diversification of its business in the areas of ICT and mobile application sectors to diversify its revenue contribution and reduce its dependence on the industrial automation sector.

## 2.4 Variance from profit forecast and profit guarantee

The Group has not provided any profit forecast or profit guarantee in any public document.

## 2.5 Taxation

Details of taxation are as follows:-

	Individual Quarter Ended		Cumulative Quarter Ended	
	31 March 2014 RM'000	31 March 2013 RM'000	31 March 2014 RM'000	31 March 2013 RM'000
	Malaysian Tax Provision *	-	-	-
Oversea Subsidiaries Tax Provision #				
Current period tax	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes:

\* The Company enjoys income tax exemption under its pioneer status entitlement pursuant to its Multimedia Super Corridor (MSC) status procured through Multimedia Development Corporation, for Qualifying Activities.

# The provision for tax is made in respect of the subsidiaries in China, and is computed based on the current period's results.

## 2.6 Status of corporate proposals and utilisation of proceeds

2.6.1 On 11 December 2012, on behalf the Board, TA Securities Holdings Berhad ("TA Securities") announced that it proposed to undertake a private placement of up to 10% of the Company's issued and paid-up share capital, equivalent to 30,000,000 ordinary shares of RM0.10 each.

The details of the proposed utilisation of the proceeds raised from the Private Placement is as follows:

Purpose of proceeds	Proposed utilisation RM'000	Actual Amount utilisation RM'000	Amount unutilised RM'000	Expected time frame for utilisation of proceed (from the date of listing of the Placement Shares)
Business expansion / product diversification	2,000	2,000	-	Within 12 months
Industrial air cooling project	930	930	-	Within 12 months
Estimated expenses in relation to the Proposed Private	70	70	-	Within 1 month
<b>Total proceeds</b>	<b>(3,000)</b>	<b>(3,000)</b>	<b>-</b>	

The above mentioned private placement was completed on 16/8/2013.

2.6.2 On 29 May 2013, the Company announced the multiple proposals as following:

i) proposed acquisition of the entire equity interest in Planet Wireless Holdings Limited for a purchase consideration of RM 14.5 million to be satisfied via a combination of RM4.5 million in cash and issuance of 50 million new ordinary share of RM0.10 each in Wintoni ("Wintoni Share" or "Share") together with 50 million detachable warrants in Wintoni;

ii) proposed diversification of the existing code business of Wintoni and its subsidiaries to include the provision of Mobile Multimedia, Gateway and applications services;

The details of the proposed utilisation of the proceeds raised from the Private Placement of shares based on indicated placement price of RM0.20 for each place share with warrants as follows:

Purpose of proceeds	Minimum Scenario RM'000	Maximum Scenario RM'000	Expected time frame for utilisation of proceed (from the date of listing of the Placement Shares)
Proposed Acquisition of PW	4,500	4,500	Within 12 months
Capital expenditure for the PW Group	1,500	1,500	Within 24 months
Business expansion	17,800	19,900	Within 24 months
Estimated expenses	700	700	Within 3 months
<b>Total proceeds</b>	<b>24,500</b>	<b>26,600</b>	

iii) proposed private placement of up to 133 million new Wintoni shares, together with detachable warrants in Wintoni ("Placement Warrants") on the basis of one (1) placement warrant for every one (1) new share subscribed by selected investor(s) to be identified later; and

iv) proposed issue of 33.0 million free warrants in Wintoni ("free warrants") on the basis of one (1) free warrant for every ten (10) Wintoni shares held by the entitled shareholders of Wintoni.

On 9 July 2013, company have submitted the application to Bursa Malaysia Securities Berhad ("Bursa Securities").

On 20 December 2013, on behalf the board, TA Securities announced that Bursa Securities has approved of the multiple proposal for (i) proposed acquisition of Planet Wireless Holdings Limited ("PW"), (ii) proposed diversification, (iii) proposed private placement of shares with warrants, and (iv) proposed free warrants issue.

Pursant to the above corporate exercise proposal, on 10 January 2014, the Company has finalised and circulated the Circular to the shareholder for deliberation on the Extraordinary General Meeting ("EGM") on 5 February 2014.

On 5 February 2014, shareholder of Wintoni had an EGM passed all the resolution in respect of the multi proposal.

As of the date of this report, the above mentioned Proposals (i) completed on 28 February 2014 and others proposals is completed on 10 March 2014.



## 2.7 Borrowings and debt securities

Save as disclosed below, there were no other borrowings or debt securities in the Group as at 31 March 2014.

### Short term borrowings

	<u>31 Mar 2014</u>	<u>31 Dec 2013</u>
	<u>RM'000</u>	<u>RM'000</u>
Finance lease liability	23	-

### Long term borrowings

	<u>31 Mar 2014</u>	<u>31 Dec 2013</u>
	<u>RM'000</u>	<u>RM'000</u>
Finance lease liability	30	-

## 2.8 Material litigation

There were no material litigations involving the Group as at the date of this report.

## 2.9 Dividend

There is no dividend declared for the current quarter under review.

## 2.10 Loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary shareholders for the quarter/year divided by the weighted average number of ordinary shares of RM0.10 each in issue during the quarter/year.

	Individual Quarter Ended		Cumulative Quarter Ended	
	31 Mar 2014	31 Mar 2013	31 Mar 2014	31 Mar 2013
	RM'000	RM'000	RM'000	RM'000
Loss attributable to equity holders of the parent	(430)	(754)	(430)	(754)
Weighted average number of ordinary shares in issue ('000)	513,000	300,000	513,000	300,000
Basic loss per share (sen)	(0.13)	(0.25)	(0.13)	(0.25)
Diluted loss per share (sen)	-	-	-	-

There are no dilutive potential ordinary shares in the current quarter and financial year to-date.

## 2.11 Loss before tax

	Individual Quarter Ended		Cumulative Quarter Ended	
	31 Mar 2014	31 Mar 2013	31 Mar 2014	31 Mar 2013
	RM'000	RM'000	RM'000	RM'000
Loss before tax has been determined after charging / (crediting) amongst other items the following:				
Interest income	(10)	(32)	(10)	(32)
Other income including investment income	(2,684)	(15)	(2,684)	(15)
Interest expenses	-	2	-	2
Depreciation	916	165	916	165
Loss on disposal of property, plant and equipment	-	-	-	-
Provision for/write off of receivables	16	109	16	15
Provision for/write off of inventories	(106)	-	(106)	-
Net foreign exchange loss/(gain)	847	3	847	3

There were no gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, gain or loss on derivatives or exceptional items for current quarter and cumulative period ended 31 March 2014 (31 December 2012: Nil).

## 2.12 Realised and unrealised loss

	<u>31 Mar 2014</u>	<u>31 Mar 2013</u>
	<u>RM'000</u>	<u>RM'000</u>
Total accumulated losses of the Company and its subsidiary companies:		
- Realised	(990)	(17,452)
- Unrealised	(1,356)	(832)
	(2,346)	(18,284)
Less: Consolidated adjustments	(13,548)	4,966
	<u>(15,894)</u>	<u>(13,318)</u>

## 2.13 Authorisation for Issue

The Board of Directors authorised the issue of this unaudited interim financial report.