

WINTONI GROUP BERHAD

(Company No: 766535 P)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	AS AT 31.12.2015	AS AT 31.12.2014
	RM'000	RM'000
ASSETS		
Non-current asset		
Property, plant and equipment	20	22,126
	<u>20</u>	<u>22,126</u>
Current assets		
Inventories	-	1,697
Trade receivables	489	11,051
Amount due from customers on contracts	-	2,321
Other receivables, deposit and prepayment	96	15,142
Tax recoverable	6	4
Fixed deposit	-	65
Cash and bank balances	183	4,903
	<u>774</u>	<u>35,183</u>
TOTAL ASSETS	<u>794</u>	<u>57,309</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the company		
Share capital	25,650	25,650
Share premium	10,199	10,199
Reserves	11,896	16,482
Accumulated losses	(52,729)	(2,865)
	<u>(4,984)</u>	<u>49,466</u>
Non-controlling interest	232	-
Total Equity	<u>(4,752)</u>	<u>49,466</u>
Current Liabilities		
Trade payables	4,499	1,383
Other payables	1,029	6,427
Tax payable	4	3
Finance lease liability	14	30
	<u>5,546</u>	<u>7,843</u>
TOTAL EQUITY AND LIABILITIES	<u>794</u>	<u>57,309</u>
Net assets per share attributable to ordinary equity holders of the Company (sen)	-0.09	0.96

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

WINTONI GROUP BERHAD

(Company No: 766535 P)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2015

	Unaudited	Unaudited	Unaudited	Unaudited
	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2015 RM'000	Preceding year Corresponding Quarter 31.12.2014 RM'000	Current Year To Date 31.12.2015 RM'000	Preceding Corresponding Year To Date 31.12.2014 RM'000
Revenue	124	7,592	6,334	25,608
Cost of sales	(67)	(4,409)	(4,274)	(14,789)
Gross profit	57	3,183	2,060	10,819
Other income	-	5,485	1,414	8,450
Selling, distribution and other expenses	-	(12)	(7,917)	(159)
Administrative expenses	(267)	(1,692)	(6,448)	(5,969)
Other expenses	-	(4,168)	(38,972)	(8,524)
Loss from operations	(210)	2,796	(49,863)	4,617
Finance costs	-	(2)	(1)	(6)
Loss before taxation	(210)	2,794	(49,864)	4,611
Taxation	-	3	-	3
Loss after taxation	(210)	2,797	(49,864)	4,614
Attributable to:-				
Equity holder of the parent	(150)	2,797	(49,804)	4,614
Non-controlling interests	(60)	-	(60)	-
	(210)	2,797	(49,864)	4,614
Loss per share (sen)	(0.04)	0.53	(9.72)	0.90
Diluted loss per share (sen)	(0.09)	-	(0.09)	-

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

WINTONI GROUP BERHAD(Company No: 766535 P)
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2015 RM'000	Preceding year Corresponding Quarter 31.12.2014 RM'000	Current Year To Date 31.12.2015 RM'000	Preceding Corresponding Year To Date 31.12.2014 RM'000
(Loss)/Profit for the period	(210)	2,797	(49,864)	4,614
Other comprehensive (loss)/income: Exchange difference on translation of foreign operations	(2,865)	1,698	(2,865)	1,705
Other comprehensive (loss)/income for the period	(2,865)	1,698	(2,865)	1,705
Total comprehensive (loss)/income for the period	(3,075)	4,495	(52,729)	6,319
Attributable to:-				
Equity holder of the Company	(3,075)	4,495	(52,729)	6,319
Non-controlling interests	-	-	-	-
	(3,075)	4,495	(52,729)	6,319

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

WINTONI GROUP BERHAD

(Company No: 766535 P)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

Group	Attributable to equity holders of the Company											
	Share Capital RM'000	Share Premium RM'000	Statutory Reserve RM'000	Statutory Reserve RM'000	Discount on Shares RM'000	Capital Reserve RM'000	Exchange Fluctuation Reserve RM'000	Other Reserve RM'000	Unappropriated Losses RM'000	Total RM'000	Non-Controlling Interest RM'000	Total Equity RM'000
For the period ended 31 December 2015												
Balance at 01 January 2015	25,650	10,199	524	1,080	(1,080)	17,457	4,001	(5,500)	(2,865)	49,466	-	49,466
Total comprehensive profit/(loss) for the period	-	-	-	-	-	(1,721)	(2,865)	-	(49,864)	(54,450)	232	(54,218)
Balance at 31 December 2015	25,650	10,199	524	1,080	(1,080)	15,736	1,136	(5,500)	(52,729)	(4,984)	232	(4,752)
For the period ended 31 December 2014												
Balance at 01 January 2014	33,000	-	524	-	-	-	2,393	-	(15,464)	20,453	-	20,453
Issuance of share capital	18,300	-	-	-	-	-	-	-	-	18,300	-	18,300
Par value reduction	(25,650)	-	-	-	-	17,457	-	-	8,193	-	-	-
Total comprehensive profit for the period	-	10,199	-	1,080	(1,080)	-	1,608	(5,500)	4,406	10,713	-	10,713
Balance at 31 December 2014	25,650	10,199	524	1,080	(1,080)	17,457	4,001	(5,500)	(2,865)	49,466	-	49,466

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

WINTONI GROUP BERHAD

(Company No:766535 P)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Year-to-date ended	
	31.12.2015	31.12.2014
	RM'000	RM'000
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(49,864)	1,150
Adjustments for:		
Non-cash items	56,897	(8,422)
Operating loss before working capital changes	7,033	(7,272)
(Increase)/Decrease in inventories	124	234
Decrease/(Increase) in trade and other receivables	17,260	(14,432)
Increase in trade and other payables	(2,052)	1,785
Increase in amount due from customers on contracts	-	(1,330)
Cash used in operations	22,365	(21,015)
Tax paid	-	33
Interest received	36	11
Net cash used in operating activities	22,401	(20,971)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(26,414)	(11)
Placement of fixed deposit pledge a bank	-	-
Acquisition of Subsidiaries, net cash	(5,400)	(4,500)
Proceeds on disposal of subsidiaries, net cash	270	-
Proceeds on disposal of property, plant and equipment	1,000	-
Asset held for sale	-	-
Proceeds from Issuance of share	-	10,320
Issuance of share capital	-	18,300
Net cash from investing activities	(30,544)	24,109
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease liability	(16)	(19)
Net cash used in financing activity	(16)	(19)
CASH AND CASH EQUIVALENTS		
Net changes	(8,159)	3,119
Bought forward	4,903	4,908
Effects of exchange rate changes	3,439	(375)
CASH AND CASH EQUIVALENTS AT 30 DECEMBER	183	7,652

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 2014 and the accompanying explanatory notes attached to the interim financial statements.

WINTONI GROUP BERHAD

(Company No:766535 P)
(Incorporated in Malaysia)

**NOTES TO INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

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
			2015 %	2014 %	
1.	Wintoni Engineering Sdn. Bhd.	Malaysia	100	100	Engaged in the business of solution provider, system designer of automation systems and research and development.
2.	Planet Wireless Holdings Limited	Anguilla	100	100	Engaged in the business of Mobile Application Gateway and Mobile Internet Platform Services.
3.	Planet Wireless Sdn Bhd	Malaysia	100	100	Engaged in the business of Network information centre
4.	Syscomp Technology Sdn Bhd	Malaysia	60	-	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 year ended 31 December 2015, have been prepared in accordance with MFRS 134 Interim Financial Reporting and Rule 9.22 and Appendix 9B 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 2014. 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 2014.

1.3 Qualification of financial statements

There was audit qualification reported in audited financial statements of the Group for the financial year ended 31 December 2014.

Basis of qualified Opinion

The Group's computer equipment with a net carrying amount of RM3,714,746 is located in the United States of America which yet to physically sight the said computer equipment as the management have written in the request and still waiting the process of obtaining the necessary approval from the custodian of the said equipment for auditor physically sight the equipment.

Qualified Opinion

Except for the effects of the matters described in the Basis of Qualified Opinion above, the financial statements give a true and fair view of the financial position of the Group and the company as at 31 December 2014 and of our financial performance and cash flows for the financial year ended in accordance Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act, 1965 in Malaysia.

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 year ended 31 December 2015 is tabulated below:

(a) Geographical Segment:-

Segment	Malaysia and other regions RM	The People's Republic of China RM	Elimination RM	Total RM
Revenue	5,038,457	1,295,341	-	6,333,798
Profit/(Loss) before taxation	(47,470,475)	(2,487,370)	105,120	(49,852,725)

(i) Revenue by Geographical location

Location	Revenue RM
Malaysia	175,848
Asia, other than Malaysia	5,580,512
Europe	512,403
Africa	65,035
Total	6,333,798

(b) Business Segment:-

Segment	Revenue RM
Automation Sector	1,295,341
ICT and mobile application	5,038,457
Energysaving products and services	-
Total	6,333,798

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

There is no material event subsequent to the end of the reporting period.

1.12 Changes in the composition of the Group

Other than as disclosed below, there were no changes in the composition of the Group during the financial period as at 31 December 2015.

(a) Acquisition of 60% of equity interest in Syscomp Technology Sdn Bhd

On 22 June 2015, the Company entered into a Conditional Share Sale Agreement ("SSA") with Ng Chin Yee ("Vendor" or "NCY") for the acquisition of 234,000 ordinary shares of RM1.00 each ("Sale Shares") in Syscomp Technology Sdn Bhd ("Syscomp"), representing 60% of equity interest in Syscomp, for a total cash consideration of Ringgit Malaysia Five Million and Four Hundred Thousand (RM5,400,000.00) only ("Purchase Consideration").

(b) Disposal of 100% of equity interest in Shanghai Winner Electrical Co Ltd and Shanghai Winco Electrical Co Ltd

On 21 August 2015 Wintoni Group Berhad entered into two (2) Ownership Transfer Agreements ("OTAs") with Casuarina Administration Inc. ("Purchaser" or "CAI"), wherein Wintoni shall sell and CAI shall purchase the entire equity interests in Shanghai Winner and Winco, for an aggregate cash consideration of RM250,000 ("Disposal Consideration") ("Proposed Disposals").

1.13 Contingent liabilities or contingent assets

The Group does not have any contingent liabilities or contingent assets as at 31 December 2015.

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 RM0.12 million and loss before tax of RM0.2 million in current quarter as compared to revenue and profit before tax of RM7.59 million and RM2.79 million respectively in the preceding year's corresponding quarter. The Group's sales decrease due to bad condition in global IT industry has registered revenue of RM6.3 million in current year as compare to revenue of RM25.6 million in preceding year's corresponding quarter. It is mainly due to some projects have been completed during the financial year 2014. Meanwhile the new projects are in planning stages. 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

	<u>Current Quarter Ended 31-Dec-15 RM'000</u>	<u>Immediate Preceding Quarter Ended 30-Sep-15 RM'000</u>
Revenue	124	1,793
(Loss)/ Profit before tax	(210)	(35,153)

Revenue for the current quarter decreased to RM0.12 million from RM1.79 million in the immediate preceding quarter and recorded loss before tax of RM0.2 million compare with loss before tax of RM35 million in immediate preceding quarter mainly due to branding and marketing cost and written off of asset occur in last quarter.

2.3 Prospects

According to Gartner, China is the biggest country for smartphone sales, representing 30% of total sales of smartphones in the third quarter of 2015. Sales of smartphones in China dropped 4% year-over-year for the 2015 second quarter, the first drop ever. In addition refer to Samsung second quarter 2015 result, concerning its mobile division specifically, it was overall decline in shipments in the middle and low-end smartphone segments.

Due to global economy slow down and uncertainty cause by unclear public listed company shareholder changes the prospect of the business is not promising. The cost of customer and morale may cause the lost of business. Weak in Ringgit may cause lower margin to business result in devastation impact on business and survival of business if uncertainty is not improved and timely.

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:-

	<u>Individual Quarter Ended</u>		<u>Cumulative Quarter Ended</u>	
	<u>31 December 2015 RM'000</u>	<u>31 December 2014 RM'000</u>	<u>31 December 2015 RM'000</u>	<u>31 December 2014 RM'000</u>
Malaysian Tax Provision *	-	-	-	-
Oversea Subsidiaries Tax Provision #	-	-	-	-
Current period tax	-	-	-	-
	-	-	-	-

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 Anguilla, and is computed based on the current period's results.

2.6 Status of corporate proposals

Not applicable

2.7 Borrowings and debt securities

Same as disclosed below, there were no other borrowings or debt securities in the Group as at 31 December 2015.

Short term borrowings

	<u>31 December 2015 RM'000</u>	<u>31 December 2014 RM'000</u>
Finance lease liability	14	30

Long term borrowings

	<u>31 December 2015 RM'000</u>	<u>31 December 2014 RM'000</u>
Finance lease liability	-	-

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 RM0.05 each in issue during the quarter/year.

	Individual Quarter Ended		Cumulative Quarter Ended	
	31 Dec 2015 RM'000	31 Dec 2014 RM'000	31 Dec 2015 RM'000	31 Dec 2014 RM'000
Loss attributable to equity holders of the parent	(150)	2,797	(49,804)	4,614
Weighted average number of ordinary shares in issue ('000)	513,000	330,000	513,000	330,000
Basic loss per share (sen)	(0.04)	0.53	(9.72)	0.90
Diluted loss per share (sen)	(0.09)	-	(0.09)	-

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 Dec 2015 RM'000	31 Dec 2014 RM'000	31 Dec 2015 RM'000	31 Dec 2014 RM'000
Loss before tax has been determined after charging / (crediting) amongst other items the following:				
Interest income	-	(1)	(1)	(11)
Other income including investment income	-	(250)	-	(2,934)
Interest expenses	-	-	-	2
Depreciation	11	234	4,099	469
Impairment loss on receivables	-	-	-	1,915
Impairment loss on inventories	-	1	-	(105)
Provision for/write off of property, plant and equipment	-	-	32,000	-
Net foreign exchange loss	28	(738)	454	109

The Company has written off assets belonging to its subsidiary, Planet Wireless Holdings Limited due to the asset falling to function completely and no future economic benefit can be expected from its use unless the business of the Company can be revived back to support the value of the asset.

2.12 Commitment

There are no other material commitments for the Group as at 31 December 2015.

2.12 Realised and unrealised loss

	31 Dec 2015	31 Dec 2014
	RM'000	RM'000
Total accumulated losses of the Company and its subsidiary companies:		
- Realised	(59,808)	(989)
- Unrealised	62	223
	(59,746)	(766)
Less: Consolidated adjustments	7,017	(13,548)
	(52,729)	(14,314)

2.13 Authorisation for Issue

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