

WINTONI GROUP BERHAD

(Company No: 766535 P)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2016**

	AS AT 30.09.2016	AS AT 31.12.2015
	RM'000	RM'000
ASSETS		
Non-current asset		
Property, plant and equipment	11	12
	<u>11</u>	<u>12</u>
Current assets		
Trade receivables	14	47
Other receivables, deposit and prepayment	357	357
Tax recoverable	-	-
Cash and bank balances	97	133
	<u>468</u>	<u>537</u>
TOTAL ASSETS	<u>479</u>	<u>549</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the company		
Share capital	25,650	25,650
Share premium	10,199	10,199
Reserves	15,237	15,237
Accumulated losses	(60,104)	(59,696)
	<u>(9,018)</u>	<u>(8,610)</u>
Non-controlling interest	(97)	7
Total Equity	<u>(9,115)</u>	<u>(8,603)</u>
Current Liabilities		
Trade payables	7,581	7,600
Other payables	1,948	1,494
Tax payable	44	44
Finance lease liability	14	14
	<u>9,587</u>	<u>9,152</u>
TOTAL EQUITY AND LIABILITIES	<u>472</u>	<u>549</u>
Net assets per share attributable to ordinary equity holders of the Company (sen)	-0.18	-0.17

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 2015 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 PERIOD ENDED 30 SEPTEMBER 2016

	Unaudited	Unaudited	Unaudited	Unaudited
	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2016 RM'000	Preceding year Corresponding Quarter 30.09.2015 RM'000	Current Year To Date 30.09.2016 RM'000	Preceding Corresponding Year To Date 30.09.2015 RM'000
Revenue	59	1,793	139	6,210
Cost of sales	(15)	(86)	(62)	(4,207)
Gross (loss)/profit	44	1,707	77	2,003
Other income	-	282	-	1,414
Selling, distribution and other expenses	-	-	-	(7,917)
Administrative expenses	(385)	(32,975)	(582)	(38,181)
Other expenses	-	(4,166)	-	(6,972)
Loss from operations	(341)	(35,152)	(505)	(49,653)
Finance costs	-	(1)	-	(1)
Loss before taxation	(341)	(35,153)	(505)	(49,654)
Taxation	-	-	-	-
Loss after taxation	(341)	(35,153)	(505)	(49,654)
Attributable to:-				
Equity holder of the parent	(365)	(35,153)	(408)	(49,654)
Non-controlling interests	24	-	(97)	-
	(341)	(35,153)	(505)	(49,654)
Loss per share (sen)	(0.07)	(6.85)	(0.10)	(9.68)
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 2015 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 PERIOD ENDED 30 SEPTEMBER 2016**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2016 RM'000	Preceding year Corresponding Quarter 30.09.2015 RM'000	Current Year To Date 30.09.2016 RM'000	Preceding Corresponding Year To Date 30.09.2015 RM'000
(Loss)/Profit for the period	(341)	(35,153)	(505)	(49,654)
Other comprehensive (loss)/income: Exchange difference on translation of foreign operations	-	(3,125)	-	(3,125)
Other comprehensive (loss)/income for the period	-	(3,125)	-	(3,125)
Total comprehensive (loss)/income for the period	(341)	(38,278)	(505)	(52,779)
Attributable to:-				
Equity holder of the Company	(341)	(38,278)	(505)	(52,779)
Non-controlling interests	-	-	-	-
	(341)	(38,278)	(505)	(52,779)

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 2015 and the accompanying explanatory notes attached to the interim financial statements.

WINTONI GROUP BERHAD
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2016**

Group	<----- Attributable to equity holders of the Company ----->								Total	Non-Controlling Interest	Total Equity	
	<----- Non-distributable ----->					Distributable						
	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	RM'000	RM'000	RM'000
For the period ended 30 September 2016												
Balance at 01 January 2016	25,650	10,199	-	1,080	(1,080)	17,457	3,280	(5,500)	(59,696)	(8,610)	7	(8,603)
Total comprehensive profit/(loss) for the period	-	-	-	-	-	-	-	-	(408)	(408)	(97)	(505)
Balance at 30 June 2016	<u>25,650</u>	<u>10,199</u>	<u>-</u>	<u>1,080</u>	<u>(1,080)</u>	<u>17,457</u>	<u>3,280</u>	<u>(5,500)</u>	<u>(60,104)</u>	<u>(9,018)</u>	<u>(90)</u>	<u>(9,108)</u>
For the period ended 30 SEPT 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 for the period	-	-	-	-	-	(1,452)	(3,125)	-	(49,654)	(54,231)	-	(54,231)
Balance at 30 June 2015	<u>25,650</u>	<u>10,199</u>	<u>524</u>	<u>1,080</u>	<u>(1,080)</u>	<u>16,005</u>	<u>876</u>	<u>(5,500)</u>	<u>(52,519)</u>	<u>(4,765)</u>	<u>-</u>	<u>(4,765)</u>

The Audited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

WINTONI GROUP BERHAD

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 30 SEPTEMBER 2016**

	Year-to-date ended	
	30.09.2016	30.09.2015
	RM'000	RM'000
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(505)	(14,501)
Adjustments for:		
Non-cash items	-	1,564
Operating loss before working capital changes	(505)	(12,937)
(Increase)/Decrease in inventories	-	1,697
Decrease/(Increase) in trade and other receivables	33	1,206
Increase in trade and other payables	436	7,888
Increase in amount due from customers on contracts	-	-
Cash used in operations	(36)	(2,146)
Tax paid	-	-
Interest received	-	1
Net cash used in operating activities	(36)	(2,145)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(3,982)
Placement of fixed deposit pledge a bank	-	(5)
Proceed from disposal of property, plant and equipment	-	1,000
Asset held for sale	-	165
Issuance of share capital	-	-
Net cash from investing activities	-	(2,822)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease liability	-	(8)
Net cash used in financing activity	-	(8)
CASH AND CASH EQUIVALENTS		
Net changes	(36)	(4,975)
Bought forward	133	4,903
Effects of exchange rate changes	-	133
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	97	61

Note:

The Audited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the unaudited financial statement for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.

WINTONI GROUP BERHAD

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**NOTES TO INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2016****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
			2016 %	2015 %	
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 period ended 30 September 2016, 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 audited financial statements for the year ended 31 December 2015. 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 2015.

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 2015.

Basis of qualified Opinion

As disclosed in Note 33 to the financial statements, the Company had on 21 August 2015 and 27 August 2015 disposed of its subsidiary companies, namely Shanghai Winner Electrical Co., Ltd., Shanghai Winco Electrical Co., Ltd. ("Shanghai Group") and Wintoni Power Sdn. Bhd. ("Wintoni Power") respectively. Consequently, all the accounting records and information of Shanghai Group and Wintoni Power were transferred to the acquirer and the Company had no right to access to these accounting records and information subsequent to disposal dates. As such, the relevant accounting records and information of Shanghai Group and Power were not made available to us during our audit for the financial year ended 31 December 2015.

Consequently, the financial position and results of Shanghai Group and Wintoni Power at the date of disposals prepared by the management for the computation of the gain on disposal of subsidiary companies include significant amounts based on estimates. Based on the unaudited management financial information, the aggregated financial contributions of Shanghai Group and Wintoni Power to the Group's assets and liabilities as at the date of disposals were RM12,812,398 and RM13,162,995 respectively and the loss after tax prior to disposals is RM4,790,483; which is significant to the Group's financial position and results for the financial year ended.

We are unable to obtain sufficient appropriate audit evidence to ascertain the possible adjustments, if any, that may be required to be made to the current financial year Group's results and cash flows had the relevant accounting records and information of Shanghai Group and Wintoni Power up to the date of disposals were made available for our audit purposes.

As disclosed in Note 33 to the financial statements, there was a break in to the Company's office on 12 November 2015 resulted all the accounting records and assets of the Company and of its subsidiary companies, namely Wintoni Engineering Sdn. Bhd., Planet Wireless Holdings Limited and Planet Wireless Sdn. Bhd. were stolen.

Due to the break in, the management has not been able to provide us with the financial records of the Company and of its subsidiary companies, namely Wintoni Engineering Sdn. Bhd., Planet Wireless Holdings Limited and Planet Wireless Sdn. Bhd. for the financial year then ended. Consequently, we are unable to verify the appropriateness of the entire financial statements due to the absence of the documents. Furthermore, management is unable to quantify the extent of the financial losses resulting from the suspension of its businesses. Additional and consequential damages resulting from the break in have also not been reflected in the financial statements. In the absence of financial information after the reporting date, we were not able to perform audit procedures to review the events after the reporting period and determine whether any potential audit adjustments are required to be made or subsequent events to be disclosed in the financial statements for the financial year ended 31 December 2015.

As disclosed in Note 2.2 to the financial statements, the Group has net liabilities of RM8,602,637 and net current liabilities of RM8,614,239 respectively. The Company has net liabilities of RM906,466 and net current liabilities of RM916,498 respectively.

On 26 February 2016, the Company has announced that it became an Affected Listed Issuer pursuant to Guidance Note 3 ("GN 3") of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The ability of the Group and of the Company to continue as a going concern is dependent on the formalisation and successful implementation of the regularisation plan of the Company to restore its financial position and achieve sustainable and viable operations.

The application of the going concern concept is based on the assumption that the Group and the Company will be able to realise their assets and liquidate their liabilities in the normal course of business. Should the formalisation and implementation of the regularisation plan not materialise or not approve, the application of the going concern concept may be inappropriate and adjustments may be required to, inter alia, write down assets to their immediate realisable value, reclassify all long term assets and liabilities as current and to provide for further costs which may arise.

Disclaimer Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, the auditors have not been able to obtain sufficient appropriate audit evidence to provide a basis of an audit opinion. Accordingly, the auditors do not express an opinion on the financial statements.

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 September 2016 is tabulated below:

(a) Geographical Segment:-

Segment	Malaysia and other regions	The People's Republic of China	Elimination	Total
Revenue	138,509	-	-	138,509
Profit/(Loss) before taxation	(505,666)	-	-	(505,666)

(i) Revenue by Geographical location

Location	Revenue
Malaysia	138,509
Asia, other than Malaysia	-
Europe	-
Africa	-
Total	138,509

(b) Business Segment:-

Segment	Revenue
Automation Sector	-
ICT and mobile application	138,509
Energysaving products and services	-
Total	138,509

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

There is no material changes in the composition of the Group.

1.13 Contingent liabilities or contingent assets

The Group does not have any contingent liabilities or contingent assets as at 30 September 2016.

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 ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

2.1 Review of the performance

The Group registered a revenue of RM0.059 million and loss before tax of RM0.341 million in current quarter as compared to revenue and loss before tax of RM1.793 million and RM35.153 million respectively in the preceding year's corresponding quarter. The Group's sales decreased due to bad condition in global IT industry and as such, only generated revenue of RM0.139 million in current year to date as compared to revenue of RM6.21 million in preceding year's corresponding period. Due to lack of funding for new business opportunities, the Group is unable to implement any business plan or any proper business direction. In addition, there is litigation concerning a group of shareholders acting in concert and holding more than 33% of the issued shares of the Company.

2.2 Comparison with immediate preceding quarter

	Current Quarter Ended	Immediate Preceding Quarter Ended	First Quarter Ended	Refer to Note 2.2A	
	30-Sep-16	30-Jun-16	31-Mar-16	Year to date Ended (Actual)	Year to date Ended
	RM'000	RM'000 (reinstated)	RM'000	30-Jun-16	30-Sep-16
				RM'000 (reinstated)	RM'000
Revenue	59	34	46	80	139
COGS	(15)	(18)	(29)	(47)	(62)
Gross profit/loss	44	16	17	33	77
Administration expenses	(385)	(102)	(95)	(197)	(582)
Other expenses	(341)	(86)	(78)	(164)	(505)
(Loss)/ Profit before tax	-	1,660	(1,660)	-	-
	(341)	1,574	(1,738)	(164)	(505)

Revenue for the current quarter increased to RM0.059 million from RM0.034 million in the immediate preceding quarter and recorded loss before tax of RM0.341 million compare with loss before tax of RM0.086 million in immediate preceding quarter. This is mainly due to increase on the corporate expenses for holding which included professional fee for regularisation plan for the Group.

2.2A

	Year to date Ended (as per Q2 result)	Year to date Ended (Actual)
	30-Jun-16	30-Jun-16
	RM'000	RM'000 (reinstated)
Revenue	292	80
COGS	(205)	(47)
Gross profit/loss	87	33
Administration expenses	(447)	(197)
Other expenses	-	-
(Loss)/ Profit before tax	(360)	(164)

We have reinstated the results for the six (6) months financial period ended 30 June 2016 due to cut off error in the accounting system arising from the change in financial year end for Syscomp Technology Sdn Bhd from 30 June 2015 to 31 December 2015. As a result of the reinstatement, our revenue and loss before tax for the 6 months financial period ended 30 June 2016 is RM0.08 million and RM0.164 million respectively, as compared to RM0.292 million and RM0.360 million announced in the previous quarter.

2.3 Prospects

The board of directors is in the process of looking for suitable business ventures to be injected into the Group. Appropriate announcements will be made when there are significant developments.

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 September 2016	31 September 2015	31 September 2016	31 September 2015
	RM'000	RM'000	RM'000	RM'000
Malaysian Tax Provision *	-	-	-	-
Overseas 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 Anguila, and is computed based on the current period's results.

2.6 Status of corporate proposals

Not applicable

2.7 Borrowings and debt securities

There is no any borrowing or debt securities for the year ended 30 September 2016.

2.8 Material litigation

There are no significant changes in 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	
	30-Sep-16 RM'000	30-Sep-15 RM'000	30-Sep-16 RM'000	30-Sep-15 RM'000
Loss attributable to equity holders of the parent	(365)	(35,153)	(408)	(49,654)
Weighted average number of ordinary shares in issue ('000)	513,000	513,000	513,000	513,000
Basic loss per share (sen)	(0.07)	(6.85)	(0.10)	(9.68)
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	
	30-Sep-16 RM'000	30-Sep-15 RM'000	30-Sep-16 RM'000	30-Sep-15 RM'000
Loss before tax has been determined after charging / (crediting) amongst other items the following:				
Interest income	-	(1)	-	(1)
Depreciation	-	1,282	-	2,806
Net foreign exchange loss	-	426	-	487

The Company has written off assets belonging to its subsidiary, Planet Wireless Holdings Limited due to the asset failing 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 Realised and unrealised loss

	30 Sept 2016 RM'000	30 Sept 2015 RM'000
Total accumulated losses of the Company and its subsidiary companies:		
- Realised	-	-
- Unrealised	-	-
Less: Consolidated adjustments	-	-

2.13 Authorisation for Issue

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