

WIDETECH (MALAYSIA) BERHAD
 (Company No. 113939-U)
 (Incorporated in Malaysia)
 AND ITS SUBSIDIARIES

QUARTERLY REPORT ON CONDENSED CONSOLIDATED RESULTS FOR THE FINANCIAL QUARTER ENDED 30 JUN 2009
 (The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Jun-09 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Jun-08 RM'000	CURRENT YEAR TODATE 30-Jun-09 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Jun-08 RM'000
1 a Revenue	2,936	4,598	2,936	4,598
b Cost of Sales	(1,256)	(2,592)	(1,256)	(2,592)
c Other Operating Expenses	(1,888)	(2,226)	(1,888)	(2,226)
d Other Operating Income	67	372	67	372
e Profit from Operations	(141)	152	(141)	152
f Finance Costs	(60)	(231)	(60)	(231)
g Investing Results	-	-	-	-
h Loss before Taxation	(201)	(79)	(201)	(79)
i Taxation	(96)	(84)	(96)	(84)
j Loss for the period	(298)	(163)	(298)	(163)
k Attributable to: Shareholders of the Company	(355)	(164)	(355)	(164)
l Minority Interest	57	1	57	(515)
m Loss for the period	(298)	(163)	(298)	(163)
2 Earnings per share attributable to shareholders of the Company (sen) (based on 44,753,400 ordinary shares)	(0.79)	(0.37)	(0.79)	(0.37)
Diluted earnings per share attributable to shareholders of the Company (sen)	N/A	N/A	N/A	N/A

WIDETECH (MALAYSIA) BERHAD
 (Company No. 113939-U)
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 CONDENSED CONSOLIDATED BALANCE SHEET AT 30 JUN 2009

	(Unaudited) As at 30-Jun-09 RM'000	Audited As at 31-Mar-09 RM'000
Fixed assets	19,151	19,898
Prepaid lease payments	1,614	1,643
Current assets		
Inventories	863	917
Receivables, deposits and prepayments	18,563	19,284
Current Tax Assets	138	137
Cash and cash equivalents	2,397	2,402
	21,961	22,740
Current liabilities		
Payables and accruals	4,223	4,333
Bank borrowings	70	1,203
Provision for taxation	47	4
	4,340	5,540
Net current assets	17,621	17,200
	38,387	38,741
Shareholders' Funds		
Share capital	44,753	44,753
Reserves	(12,123)	(11,613)
Equity attributable to shareholders of the Company	32,630	33,140
Minority interests	679	622
	33,309	33,762
Long Term and Deferred Liabilities		
Bank borrowings	4,985	4,887
Deferred tax liabilities	93	93
	38,387	38,742
Net assets per share (RM)	0.73	0.75

The Condensed Consolidated Balance Sheet should be read
 in conjunction with the Annual Financial Report for the year ended 31 March 2009

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL QUARTER ENDED 30 JUN 2009
 (The figures have not been audited)

	----- Attributable to Shareholders of the Company ----->							
	Share Capital RM'000	Share Premium Reserve RM'000	Share Option Reserve RM'000	Exchange Fluctuation Reserve RM'000	Accumulated Losses RM'000	Sub-Total RM'000	Minority Interest RM'000	Total Equity RM'000
At 1 April 2009	44,753	132	-	(474)	(11,271)	33,140	622	33,762
Net loss for the year	-	-	-	-	(355)	(355)	57	(298)
Net loss not recognised in the income statements :								
Currency translation differences of a foreign subsidiary	-	-	-	(155)	-	(155)	-	(155)
At 30 Jun 2009	<u>44,753</u>	<u>132</u>	<u>0</u>	<u>(629)</u>	<u>(11,626)</u>	<u>32,630</u>	<u>679</u>	<u>33,309</u>
At 1 April 2008	44,753	132	13	(2,027)	(3,922)	38,949	966	39,915
Net loss for the year	-	-	-	-	(164)	(164)	1	(163)
Net loss not recognised in the income statements :								
Currency translation differences of a foreign subsidiary	-	-	-	(12)	-	(12)	-	(12)
At 30 Jun 2008	<u>44,753</u>	<u>132</u>	<u>13</u>	<u>(2,039)</u>	<u>(4,086)</u>	<u>38,773</u>	<u>967</u>	<u>39,740</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 March 2009

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 30 JUN 2009
(The figures have not been audited)

	CURRENT YEAR TODATE 30-Jun-09 RM'000	PRECEDING YEAR 30-Jun-08 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(201)	(900)
Adjustments for:		
Depreciation and amortisation	704	2,715
(Gain)/Loss on disposal of plant and equipment	-	(30)
Interest income	(7)	(320)
Interest expenses	60	979
Operating profit before working capital changes	556	2,444
Changes in Inventories	55	(171)
Changes in receivables, deposits and prepayments	719	13,046
Changes in payables and accruals	(40)	(1,497)
Cash generated from operating activities	1,290	13,822
Tax paid	(97)	(636)
Net cash generated from operating activities	1,193	13,186
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property , Plant & Equipment	(110)	(9,161)
Proceeds from disposal of Property, Plant & Equipment	-	382
Prepaid lease payments	-	(799)
Interest income	7	320
Net cash generated used in investing activities	(103)	(9,258)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	(73)	(11,886)
Fixed deposit pledged for banking facilities	-	2,908
Proceeds from issuance of shares	-	4,239
Interest paid	(60)	(979)
Shares issued to minority shareholders	-	799
Net cash used in financing activities	(133)	(4,919)
Net decrease in cash and cash equivalents	957	(991)
Cash and cash equivalents at beginning of year	1,440	6,238
Effects of exchange differences on cash and cash equivalents	-	(202)
Cash and cash equivalents at end of financial period	2,397	5,045

NOTES

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated cash flow statement comprise the following consolidated balance sheet amounts :

	30-Jun-09 RM'000	30-Jun-08 RM'000
Short term deposit with licensed banks	1,808	4,110
Cash and bank balances	589	935
	2,397	5,045

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NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 JUNE 2009

A NOTES TO THE INTERIM FINANCIAL REPORT

1 Accounting Policies

The interim financial reports of the Group are prepared in accordance with FRS 134 Interim Financial Reporting and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The accounting policies, method of computation and basis of consolidation adopted by the Group in this interim financial reports are consistent with those adopted in the annual financial statements for the year ended 31 March 2009. The Group have not adopted the following accounting standards (including its consequential amendments) and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) as they are not yet effective :-

FRSs/Interpretations	Effective Date
Amendments to FRS 1, First-time Adoption of Financial Reporting Standards and FRS 127, Consolidated and Separate Financial Statements: Cost of Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
FRS 7, Financial Instruments : Disclosures	1 January 2010
FRS 8, Operating Segments	1 July 2009
FRS 123, Borrowing Costs	1 January 2010
FRS 139, Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 10, Interim Financial Reporting and Impairment	1 January 2010

The Group plans to apply the above FRSs/Interpretations from the annual period beginning 1 April 2010.

2 Status of Audit Qualification

The annual financial statements for the year ended 31 March 2009 were not subject to any qualification.

3 Seasonal or Cyclical Factors

The Group performance is normally not affected by seasonal and cyclical factors except during the festive seasons and holidays in the month of September, December and January. The manufacturing business will experience a shorter production and trading time during festive seasons.

4 Items of unusual in nature, size or incidence

There were no material unusual items that affect assets, liabilities, equity, net income or cash flows of the Group for the financial period under review.

5 Changes in Estimates

There were no material changes in estimates of amounts reported in this interim period of the current financial year or changes in estimates of amounts reported in prior financial year.

6 Issuance of equity or debts securities etc.

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares for the financial period under review.

7 Dividend Paid

No dividend has been paid since the end of previous financial year.

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30 JUNE 2009

8 Segmental reporting

Financial data by business segment for the Group

	Turnover As at 30-Jun-09 RM'000	Profit/(Loss) Before Taxation As at 30-Jun-09 RM'000
Manufacturing	930	2
Trading in consumer products	1,292	338
Gaming Operations	426	134
Hotel Operation	209	(369)
Others	79	(306)
Total	2,936	(201)

Financial data by geographical segment for the Group

	Turnover As at 30-Jun-09 RM'000	Profit/(Loss) Before Taxation As at 30-Jun-09 RM'000
Malaysia	2,301	38
Cambodia	39	(151)
Vietnam	387	285
Lao PDR	209	(369)
Others	-	(4)
	2,936	(201)

9 Property, Plant and Equipment

The valuations of property, plant & equipment have been brought forward, without amendment from the previous annual financial statements.

10 Subsequent Events

There were no material events subsequent to the end of the current financial year-to-date that have not been reflected in the financial statements for the said period as at the date of this report.

11 Changes in the composition of the Group

Saved as disclosed below, there were no changes in the composition of the Group for the financial period under review:-

- i) On 10 June 2009, the Group, via Remarkable Group Limited, completed the call option exercise granted by Rich Lee Holdings Sdn Bhd (RLHSB"). The entire issued and paid up share capital of RLHSB of 10,000 ordinary shares of RM1.00 each was for a total cash consideration of US\$1.00.

12 Contingent liabilities

The Group did not have any material contingent liabilities as at 24 July 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

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NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 JUNE 2009

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA SECURITIES' LISTING REQUIREMENTS

1 Review of the performance of the Company and its Principal Subsidiaries.

The Group recorded a pre-tax loss for the current period to date of RM0.201 million as compared to the preceding year's corresponding period of a pre-tax loss of RM0.079 million. The pre-tax loss registered was mainly attributed to the following :-

- i) The manufacturing segment experienced a slowdown in business in view of the current global financial crisis.
- ii) The hotel operation in Lao PDR continued to contribute to a pre-tax loss of RM0.369 million as the gaming operating license has yet to be obtained.
- iii) The significantly lower pre-tax loss in preceding year's corresponding period was due to a gain from the disposal of land of approximately RM0.328 million

2 Material changes in the Quarterly Results compared to the results of the Preceding Quarter

For the 1st quarter ended 30 June 2009, the Group achieved a turnover of RM2.936 million and generated a pre-tax loss of RM0.201 million as compared to RM2.870 million and RM5.775 million loss in the previous quarter ended 31 March 2009 respectively. The contributing factors to the current quarter pre-tax loss has been disclosed in Note 1 of Part B.

3 Prospects

- i) The consumer finance scheme is expected to contribute positively to the revenue of the Group but will increasingly face stiff market competition due to competitiveness of other schemes in the market.
- ii) Wire Master Spring Sdn Bhd, the manufacturing business, is strived to maintain its competitiveness in the market by increasing its market share, cost reductions, etc.
- iii) Management fees derived from provision of equipment, operation and management services for e-gaming club in Nha Trang, Vietnam is expected to contribute positively to the long term earnings of the Group.
- iv) In March & April 2009, our gaming machines in Phnom Penh have been relocated to two casinos on a revenue sharing basis after the closure of all e-gaming clubs in Cambodia by the Cambodian Government in February 2009. Although operations has just commenced recently, the Board is confident that it will eventually contribute positively to the long term earnings of the Group.
- v) Our e-gaming club in Ho Chi Minh, Vietnam, owned by Enselini International Limited ("EIL"), a 65% held subsidiary, and operated by another subsidiary, Remarkable Group Limited ("RGL"), remained closed due to the unlawful interference of its business by the Hotel as they have refused to recognise RGL as the legal operator of the club despite a court order obtained in January 2007 confirming the legal status of the operator of the club. As reported in the previous quarter, RGL has since initiated a legal action against the Hotel on 14 May 2008.
- vi) We have yet to obtain the gaming operating license in Riveria Hotel, Laos. We are currently exploring other alternatives which include a joint venture with other gaming operators.

4 Variance of Actual Profit from Forecast Profit

Not Applicable as no profit forecast was published.

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30 JUNE 2009

5 Taxation

	As at 30-Jun-09 RM'000
Current year taxation	97
(Over)/Under provision in prior year	-
Total	97

The disproportionate tax charge is mainly due to certain expenses being disallowed for tax purposes and profits generated by a subsidiary incorporated in the British Virgin Islands, which is not taxable.

6 Profit/(loss) on sale of properties and/or unquoted investments

There were no material profits or losses on sale of properties / unquoted investments for the financial period under review.

7 Quoted securities

There were no purchases or disposal of quoted shares for the financial period under review.

8 Status of corporate proposals

There were no corporate proposals announced for the financial under review.

9 Group Borrowings and Debt Securities

The Group borrowings and debt securities as at 30 June 2009 are as follows:-

	As at 30-Jun-09 RM'000
A Short Term Borrowings	
Secured	
Bank overdrafts	-
Hire purchase obligation	70
	70
B Long Term Borrowings	
Secured	
Term loan	4,881
Hire purchase obligation	104
	4,985

10 Off balance sheet financial instruments

The Group did not have any financial instruments with off balance sheet risk as at 24 July 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

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11 Material pending litigation

Saved as disclosed below, the Group was not engaged in any material / material pending litigation as at 24 July 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) :-

- i) On 28 May 2003, EPA Automation Sdn Bhd ("EPA Malaysia") and EPA Automation Pte Ltd ("EPA Singapore") filed a suit against Camozzi s.p.a., Camozzi Malaysia Sdn Bhd and two former employees of EPA Malaysia (collectively known as the "Camozzi Defendants") in relation to the alleged wrongful termination of the sole agency and distributorship agreement between EPA Malaysia and EPA Singapore with Camozzi s.p.a. and the alleged wrongful use of EPA Malaysia's and EPA Singapore's confidential information by the Camozzi Defendants. The matter is being litigated and the trial has been postponed. The Court has now fixed a mention date for trial on 30 July 2009. Sufficient provision has been made in the accounts for the abovementioned material litigation.
- ii) On 14 May 2008, RGL filed a petition against Amara Saigon Hotel Co. Ltd., AOI Saigon Pte Ltd and Amara Holdings Limited in relation to the alleged unlawful interference of its business and closure of its club in Ho Chi Minh, Vietnam. RGL has sought damages arising thereof amounting to a total of approximately USD3.907 million.

12 Dividends

No dividend has been paid, declared or proposed since the end of previous financial year.

13 Earnings per ordinary share

a) Basic earnings per ordinary share

The basic earnings per ordinary share has been calculated based on the net loss attributable to shareholders and on the weighted average 44,753,400 ordinary shares issued.

b) Fully diluted earnings per ordinary share

Not applicable

14 Authorisation

This Quarterly Results for the financial period ended 30 June 2009 have been seen and approved by the Board of Directors of Widetech (Malaysia) Berhad for release to the Bursa Securities.

BY ORDER OF THE BOARD

Mah Li Chen
Tan Ley Theng
Company Secretaries

Dated this 31st day of July 2009