

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 SEPTEMBER 2009  
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Sept-09 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Sept-08 RM'000	CURRENT YEAR TODATE 30-Sept-09 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Sept-08 RM'000
1 a Revenue	2.388	4.435	5.324	9.033
b Cost of Sales	(1.019)	(2.773)	(2.276)	(5.365)
c Other Operating Expenses	(1.801)	(2.124)	(3.688)	(4.350)
d Other Operating Income	84	93	151	465
e Profit from Operations	(348)	(369)	(489)	(217)
f Finance Costs	(56)	(221)	(117)	(452)
g Investing Results	-	-	-	-
h Loss before Taxation	(404)	(590)	(606)	(669)
i Taxation	(57)	(113)	(163)	(197)
j Loss for the period	(461)	(703)	(769)	(866)
k Attributable to: Shareholders of the Company	(360)	(791)	(723)	(955)
l Minority Interest	(101)	88	(46)	89
m <b>Loss for the period</b>	(461)	(703)	(769)	(866)
2 Earnings per share attributable to shareholders of the Company (sen) (based on 44,753,400 ordinary shares)	(0,80)	(1,77)	(1,62)	(2,13)
Diluted earnings per share attributable to shareholders of the Company (sen)	N/A	N/A	N/A	N/A

WIDETECH (MALAYSIA) BERHAD  
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 CONDENSED CONSOLIDATED BALANCE SHEET AT 30 SEPTEMBER 2009

	(Unaudited) As at 30-Sept-09 RM'000	Audited As at 31-Mac-09 RM'000
<b>Fixed assets</b>	18.740	19.898
<b>Prepaid lease payments</b>	1.594	1.643
<b>Current assets</b>		
Inventories	945	917
Receivables ,deposits and prepayments	18.077	19.284
Current Tax Assets	145	137
Cash and cash equivalents	2.920	2.402
	22.087	22.740
<b>Current liabilities</b>		
Payables and accruals	4.121	4.333
Bank borrowings	106	1.203
Provision for taxation	85	4
	4.312	5.540
<b>Net current assets</b>	17.775	17.200
	38.109	38.741
<b>Shareholders' Funds</b>		
Share capital	44.753	44.753
Reserves	-12.222	-11.614
Equity attributable to shareholders of the Company	32.531	33.139
Minority interests	576	622
	33.107	33.761
<b>Long Term and Deferred Liabilities</b>		
Bank borrowings	4.909	4.887
Deferred tax liabilities	93	93
	38.109	38.741
<b>Net assets per share (RM)</b>	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 SEPTEMBER 2009  
(The figures have not been audited)

	----- Attributable to Shareholders of the Company ----->							
	Share Capital RM'000	Share Premiur 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)	(11.272)	33.139	622	33.761
Net loss for the year	-	-	-	-	(723)	(723)	(46)	(769)
Net loss not recognised in the income statements :								
Currency translation differences of a foreign subsidiary	-	-	-	115	-	115	-	115
At 30 September 2009	<u>44.753</u>	<u>132</u>	<u>-</u>	<u>(359)</u>	<u>(11.995)</u>	<u>32.531</u>	<u>576</u>	<u>33.107</u>
At 1 April 2008	44.753	132	13	(2.027)	(3.922)	38.949	966	39.915
Net loss for the year	-	-	-	-	(955)	(955)	89	(866)
Net loss not recognised in the income statements :								
Currency translation differences of a foreign subsidiary	-	-	-	(69)	-	(69)	-	(69)
At 30 September 2008	<u>44.753</u>	<u>132</u>	<u>13</u>	<u>(2.096)</u>	<u>(4.877)</u>	<u>37.925</u>	<u>1.055</u>	<u>38.980</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 SEPTEMBER 2009  
(The figures have not been audited)

	CURRENT YEAR TODATE 30-Sept-09 RM'000	PRECEDING YEAR 30-Sept-08 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before tax	(606)	(669)
Adjustments for:		
Depreciation and amortisation	1.383	1.932
(Gain)/Loss on disposal of plant and equipment	-	(343)
Fixed assets written off		414
Interest income	(24)	(118)
Interest expenses	117	452
<b>Operating profit before working capital changes</b>	<u>870</u>	<u>1.668</u>
Changes in Inventories	(28)	105
Changes in receivables, deposits and prepayments	1.606	2.253
Changes in payables and accruals	(202)	(2.509)
<b>Cash generated from operating activities</b>	<u>2.246</u>	<u>1.517</u>
Tax paid	(93)	(109)
<b>Net cash generated from operating activities</b>	<u>2.153</u>	<u>1.408</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property , Plant & Equipment	(467)	(7.235)
Proceeds from disposal of Property, Plant & Equipment	-	2.925
Interest income	24	118
<b>Net cash generated used in investing activities</b>	<u>(443)</u>	<u>(4.192)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bank borrowings	(149)	(5.713)
Fixed deposit pledged for banking facilities	-	3.633
Interest paid	(117)	(452)
<b>Net cash used in financing activities</b>	<u>(266)</u>	<u>(2.532)</u>
Net decrease in cash and cash equivalents	1.444	(5.316)
Cash and cash equivalents at beginning of year	1.440	5.045
<b>Cash and cash equivalents at end of financial period</b>	<u>2.884</u>	<u>(271)</u>

## 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-Sept-09 RM'000	30-Sept-08 RM'000
Short term deposit with licensed banks	2.517	-
Cash and bank balances	403	-
Bank overdraft	(36)	(271)
	<u>2.884</u>	<u>(271)</u>

WIDETECH (MALAYSIA) BERHAD  
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NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED  
30 SEPTEMBER 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 :-

<b>FRSs/Interpretations</b>	<b>Effective Date</b>
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 February. 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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NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED  
30 SEPTEMBER 2009

### 8 Segmental reporting

Financial data by business segment for the Group

	Turnover	Profit/(Loss)		
	As at	Before Taxation		
	30-Sept-09	As at		
	RM'000	30-Sept-09	RM'000	
Manufacturing	1,937	78		
Trading in consumer products	2,173	565		
Gaming Operations	628	43		
Hotel Operation	427	(761)		
Others	159	(531)		
<b>Total</b>	<b>5,324</b>	<b>(606)</b>		

Others	T/Over	PBT
W'tech	159	(506)
EPA Auto	-	(7)
Rich Lee	-	(14)
AsiaPacific	-	(4)
	159	(531)

Financial data by geographical segment for the Group

	Turnover	Profit/(Loss)
	As at	Before Taxation
	30-Sept-09	As at
	RM'000	30-Sept-09
	RM'000	RM'000
Malaysia	4,268	120
Cambodia	144	(243)
Vietnam	485	285
Lao PDR	427	(761)
Others	-	(7)
<b>Total</b>	<b>5,324</b>	<b>(606)</b>

### 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

Saved as disclosed below, 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:-

- i) On 5 November 2009, Lao-Malaysia Investments Group ("LMIG"), a 75% owned subsidiary of Asia Pacific Winning Limited, which in turn is a wholly owned subsidiary of Widetech, had entered into a Gaming Club Management and Revenue Sharing Agreement with Savan Vegas Hotel and Casino Co., Ltd ("SV") to jointly operate the Gaming Club located in our hotel in Lao PDR on a revenue sharing basis. SV shall obtain all necessary licenses and approvals for the operation of the club. The Club is targeted to commence operations within 6 weeks from the date of execution of the Agreement.

### 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 20 November 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 SEPTEMBER 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 RM0.606 million as compared to the preceding year's corresponding period of a pre-tax loss of RM0.669 million. The pre-tax loss registered was mainly attributed to the following :-

- i) Consumer finance business recorded a lower revenue in the current financial year due to stiff market competition
- ii) The manufacturing segment is still experiencing a slowdown in business in view of the current global financial
- iii) The hotel operation in Lao PDR continued to contribute to a pre-tax loss of RM0.761 million.

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

For the 2nd quarter ended 30 September 2009, the Group achieved a turnover of RM2.388 million and generated a pre-tax loss of RM0.404 million as compared to RM2.936 million and RM0.201 million loss in the previous quarter ended 30 June 2009 respectively. The contributing factors to the current quarter pre-tax loss have 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 striving 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 have just commenced in last Quarter, 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) As disclosed in Note 10 of Part A, we had entered into an agreement with SV to operate the Gaming Club in our hotel on a revenue sharing basis. The execution of the agreement is expected to contribute positively to the long term earnings of the Group.

**4 Variance of Actual Profit from Forecast Profit**

Not Applicable as no profit forecast was published.

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

**5 Taxation**

	As at 30-Sept-09 RM'000
Current year taxation	164
(Over)/Under provision in prior year	-
<b>Total</b>	<b>164</b>

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 September 2009 are as follows:-

	As at 30-Sept-09 RM'000
<b>A Short Term Borrowings</b>	
<b>Secured</b>	
Bank overdrafts	36
Hire purchase obligation	70
	<b>106</b>
<b>B Long Term Borrowings</b>	
<b>Secured</b>	4.822
Term loan	87
Hire purchase obligation	4.909
	<b>4.909</b>

**10 Off balance sheet financial instruments**

The Group did not have any financial instruments with off balance sheet risk as at 20 November 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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30 SEPTEMBER 2009

**11 Material pending litigation**

Saved as disclosed below, the Group was not engaged in any material / material pending litigation as at 20 November 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 numerous times. The Court has yet to fix a trial date to date. 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 September 2009 have been seen and approved by the Board of Directors of Widetech (Malaysia) Berhad on 24 November 2009 for release to the Bursa Securities.

BY ORDER OF THE BOARD

**Mah Li Chen**  
**Tan Ley Theng**  
Company Secretaries

Dated this 24th day of November 2009