

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

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2011
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Jun-11 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Jun-10 RM'000	CURRENT YEAR TODATE 30-Jun-11 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Jun-10 RM'000
1 a Revenue	2,532	3,132	2,532	3,132
b Cost of Sales	-862	-786	-862	-786
c Other Operating Expenses	-1,360	-1,767	-1,360	-1,767
d Other Operating Income	120	39	120	39
e Profit from Operations	430	618	430	618
f Finance Costs	-66	-60	-66	-60
g Share of loss of Associate	-1,474	-	-1,474	-
h (Loss)/Profit before Taxation	-1,110	558	-1,110	558
i Taxation	-54	-68	-54	-68
j (Loss)/Profit for the period	-1,164	490	-1,164	490
Attributable to:				
k Equity Holders of the Company	-1,303	44	-1,303	44
l Non-Controlling Interest	139	446	139	446
m (Loss)/Profit for the period	-1,164	490	-1,164	490
2 Earnings per share (EPS) attributable to Equity Holders of the Company (sen):				
a Basic EPS	-2.91	0.10	-2.91	0.10
b Diluted EPS	N/A	N/A	N/A	N/A

The above Consolidated Income Statement should be read
in conjunction with the Audited Financial Statements for the year ended 31 March 2011

WIDETECH (MALAYSIA) BERHAD
(Company No. 113939-U)
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2011
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Jun-11 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Jun-10 RM'000	CURRENT YEAR TODATE 30-Jun-11 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Jun-10 RM'000
3 a (Loss)/Profit for the period	-1,164	490	-1,164	490
b Other Comprehensive Income/(Loss) :				
Currency translation differences of foreign subsidiaries	-236	438	-236	438
Total Comprehensive Income	-1,400	928	-1,400	928
Attributable to :				
c Equity Holders of the Company	-1,541	465	-1,542	466
d Non-controlling Interest	141	463	141	463
Total Comprehensive Income	-1,400	928	-1,400	928

The above Consolidated Statement of Comprehensive Income should be read
in conjunction with the Audited Financial Statements for the year ended 31 March 2011.

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2011

	(Unaudited) As at 30-Jun-11 RM'000	Audited As at 31-Mar-11 RM'000
Fixed assets	16,862	17,256
Investments in Associate and Joint Ventures	361	61
Current assets		
Inventories	1,122	795
Receivables ,deposits and prepayments	9,254	10,457
Amount due from Associate	517	1,439
Current Tax Assets	12	38
Cash and cash equivalents	10,165	9,755
	21,070	22,484
Current liabilities		
Payables and accruals	3,599	3,615
Bank borrowings	488	513
Provision for taxation	13	25
	4,100	4,153
Net current assets	16,970	18,331
	34,193	35,648
Equity		
Share capital	44,753	44,753
Reserves	-15,886	-14,345
Equity attributable to Equity Holders of the Company	28,867	30,408
Non-controlling interest	919	778
	29,786	31,186
Long Term and Deferred Liabilities		
Bank borrowings	4,312	4,367
Deferred tax liabilities	95	95
	34,193	35,648
Net assets per share attributable to Equity Holders of the Company (RM)	0.65	0.68

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2011

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2011
 (The figures have not been audited)

	Attributable to Equity Holders of the Company				Sub-Total RM'000	Non - Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium Reserve RM'000	Exchange Fluctuation Reserve RM'000	Accumulated Losses RM'000			
At 1 April 2011	44,753	132	-682	-13,795	30,408	778	31,186
Total Comprehensive Income for the period	-	-	-238	-1,303	-1,541	141	-1,400
At 30 June 2011	44,753	132	-920	-15,098	28,867	919	29,786
At 1 April 2010	44,753	132	-1,228	-12,797	30,860	253	31,113
Total Comprehensive Income for the period	-	-	421	44	465	463	928
At 30 June 2010	44,753	132	-807	-12,753	31,325	716	32,041

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2011

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2011
(The figures have not been audited)

	CURRENT YEAR TODATE 30-Jun-11 RM'000	PRECEDING YEAR 30-Jun-10 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	-1,110	558
Adjustments for:		
Depreciation and amortisation	437	643
Interest income	-64	-33
Interest expenses	66	60
Operating profit before working capital changes	<u>-671</u>	<u>1,228</u>
Changes in Inventories	-327	-187
Changes in receivables, deposits and prepayments	950	1,543
Changes in amount due from associate	922	-
Changes in payables and accruals	-17	181
Cash generated from operating activities	<u>857</u>	<u>2,765</u>
Tax paid	-33	-54
Net cash generated from operating activities	<u>824</u>	<u>2,711</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property , Plant & Equipment	-33	-242
Investment in Associated Company	-300	-
Interest income	64	33
Net cash generated used in investing activities	<u>-269</u>	<u>-209</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	-79	-79
Interest paid	-66	-60
Net cash used in financing activities	<u>-145</u>	<u>-139</u>
Net increase in cash and cash equivalents	410	2,363
Cash and cash equivalents at beginning of year	9,755	5,300
Cash and cash equivalents at end of financial period	<u>10,165</u>	<u>7,663</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-Jun-11 RM'000	30-Jun-10 RM'000
Deposit with licensed banks and financial institutions	9,027	6,601
Cash and bank balances	1,138	1,062
	<u>10,165</u>	<u>7,663</u>

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NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 JUNE 2011

A EXPLANATORY NOTES PURSUANT TO FRS 134

1 Accounting Policies

The interim financial reports of the Group are prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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 audited financial statements for the year ended 31 March 2011, except for the adoption of the following FRSs:-

FRSs/Interpretations effective for accounting period beginning on or after 1 July 2010

FRS 1	First-time Adoption of Financial Reporting Standards (Revised)
FRS 3	Business Combinations (Revised)
FRS 127	Consolidated and Separate Financial Statements (Revised)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
IC Interpretation 17	Distributions of Non-cash Assets to Owners

FRSs/Interpretations effective for accounting period beginning on or after 1 January 2011

Amendments to FRS 1	Limited Exemptions from Comparative FRS 7 Disclosures for First-time Adopters; Additional Exemptions for First-time Adopters; and Accounting policy changes in the year of adoption, revaluation basis as deemed cost and the use of deemed cost for operations subject to rate regulation
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 3	Measurement of non-controlling interests and un-replaced and voluntarily replaced share-based payments award
Amendments to FRS 7	Improving Disclosures about Financial Instruments; and
Amendments to FRS 101	Clarification of Statement of changes in Equity
Amendments to FRS 134	Significant events and transactions
IC Interpretation 4	Determining whether an Arrangement contains a Lease

The adoption of the above FRSs or Interpretations is not expected to have any material financial effects to the Group.

2 Status of Audit Qualification

The annual financial statements for the year ended 31 March 2011 were not subject to any qualification.

3 Comments about Seasonal or Cyclical Factors

The Group performance is normally not affected by seasonal and cyclical factors for the financial period under review.

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.

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30 JUNE 2011

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.

8 Segmental reporting

Segment information is presented in respect of the Group's business segments as follows:-

	Manufacturing RM'000	Supply RM'000	Gaming RM'000	Hotel RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
As at 30 June 2011							
Revenue from external customers	1,441	283	451	267	90	-	2,532
Inter-segment revenue	-	225	-	-	103	-328	-
Total Revenue	1,441	508	451	267	193	-328	2,532
Segment Result	191	41	353	-221	-42	44	366
Interest income							64
Finance costs							-66
Share of Loss of Associate							-1,474
Loss before Tax							-1,110
Segment Assets	3,100	7,078	2,801	5,006	11,269		29,254
Unallocated assets							9,038
							38,292
Segment Liabilities	503	817	754	96	1,524		3,694
Unallocated liabilities							4,813
							8,507

9 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 1 August 2011, EPA Automation Sdn Bhd ("EPA Malaysia") and EPA Automation Pte Ltd have reached an out of court settlement with Camozzi s.p.a., Camozzi Malaysia Sdn Bhd and two former employees of EPA Malaysia whereby both parties have agreed to withdraw the suit against each other and neither party shall have any claims against the other (as mentioned in Note B (12)(i)).

WIDETECH (MALAYSIA) BERHAD
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 30 JUNE 2011

10 Changes in the composition of the Group

There were no changes in the composition of the Group for the financial period under period.

11 Contingent liabilities

The Group did not have any material contingent liabilities as at 12 August 2011 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

12 Capital Commitments

The Group did not have any material capital commitments as at 12 August 2011 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

13 Related Party Transactions

Significant transactions are as follows :-

i) Transactions between the Company and its subsidiaries :-

	As at 30-Jun-11 RM'000
Management fees receivable	75
Rental receivable	<u>28</u>

ii) Transactions with companies in which a Director is deemed to have substantial financial interest :-

	As at 30-Jun-11 RM'000
Rental receivable	<u>90</u>

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30 JUNE 2011

B EXPLANATORY NOTES PURSUANT TO THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

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

The Group recorded a turnover of RM2.532 million and a pre-tax loss of RM1.110 million for the financial year ended 30 June 2011 as compared to the preceding year's corresponding quarter turnover of RM3.132 million and a pre-tax profit of RM0.558 million.

The gaming operations registered a lower revenue of RM0.451 million and a pre-tax profit of RM0.390 million against a revenue of RM1.066 million and a pre-tax profit of RM0.630 million in the preceding year's corresponding quarter.

The manufacturing division recorded a higher revenue of RM1.441 million and pre-tax profit of RM0.291 million against a revenue of RM1.127 million and a pre-tax profit of RM0.203 million in in the preceding year's corresponding quarter.

The consumer financing business however showed a lower profit with its revenue and pre-tax profit declining by 51% to RM0.283 million and 43% to RM0.130 million respectively due to lower loan base as the company had ceased this business.

The hotel operation in Laos remained loss-making with a pre-tax loss of RM0.223 million as compared to RM0.284 million in the preceding year's corresponding quarter mainly due to depreciation charges.

Overall, the current year losses registered was mainly due to the share of loss in associate of RM1.474 million.

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

For the 1st quarter ended 30 June 2011, the Group achieved a turnover of RM2.532 million and generated a pre-tax loss of RM1.110 million as compared to a revenue RM2.311 million and pre-tax profit RM0.016 million in the preceding quarter ended 31 March 2011. The losses was mainly due to the share of loss in associate of RM1.474 million.

3 Realised and Unrealised Profits/Losses

	As at 30-Jun-11 RM'000	As at 31-Mar-11 RM'000
Total accumulated losses of the Company and its subsidiaries:-		
Realised	-49,543	-48,471
Unrealised	-	-1,337
	<u>-49,543</u>	<u>-49,809</u>
Consol adjustments	34,444	36,013
Total accumulated losses	<u>-15,098</u>	<u>-13,795</u>

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NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 JUNE 2011

4 Prospects

- i) The consumer finance business will continue to contribute positively to the long term earnings of the Group albeit on a reducing scale due to a declining loan base.
- ii) The manufacturing division is expected to remain stable with plans to increase its market share by enlarging its customer base.
- 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) The Board is confident that our gaming operations on a revenue sharing basis with two casinos in Cambodia will contribute positively to the long term earnings of the Group.
- v) Our e-gaming club in Ho Chi Minh, Vietnam, owned by Ensellini International Limited ("EIL"), a 65% held subsidiary, and operated by another subsidiary, Remarkable Group Limited ("RGL"), has closed due to the unlawful interference of its business by Ramana Saigon Hotel (formerly known as Amara Saigon Hotel) ("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 RGL as the legal operator of the club. RGL has since initiated a legal suit against the Hotel on 14 May 2008.
On 5th and 8th February 2010, Rich Lee Holdings Sdn Bhd ("RLHSB"), a wholly owned subsidiary of RGL and RGL had filed separate petitions against Viet Star (formerly known as Amara Saigon Hotel Co. Ltd.) seeking additional damages to date in addition to seeking direction from the court in enforcing further judgements which the Hotel had so far not complied.
On 5 October 2010, the Court rejected our application for an injunction order to bar the Hotel from operating a new gaming club. We have submitted an appeal letter but was rejected by the Court.
RLHSB and RGL continue to pursue their legal suit against Viet Star for damages suffered.
- vi) The Board is currently looking into improving the business of our hotel in Lao PDR and at the same time considering disposal of the hotel.
- vii) Our 40% investment in Goldshore Capital Limited to pursue oversea investments is expected to be profitable in the long term although losses is expected in the initial development stage.

5 Variance of Actual Profit from Forecast Profit

Not Applicable as no profit forecast was published.

6 Taxation

	As at 30-Jun-11 RM'000
Current year taxation	54
Total	54

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 are not taxable.

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30 JUNE 2011

7 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.

8 Quoted securities

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

9 Status of corporate proposals

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

10 Group Borrowings and Debt Securities

The Group borrowings and debt securities as at 30 June 2011 are as follows:-

	RM'000
A Short Term Borrowings	
Secured	
Term loan	449
Hire purchase obligation	39
	488
B Long Term Borrowings	
Secured	
Term loan	4,218
Hire purchase obligation	94
	4,312

11 Off balance sheet financial instruments

The Group did not have any financial instruments with off balance sheet risk as at 12 August 2011 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

12 Material pending litigation

Saved as disclosed below, the Group was not engaged in any material / material pending litigation as at 12 August 2011 (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. Sufficient provision has been made in the accounts for the abovementioned material litigation. The trial of this matter has been postponed on numerous occasions and the Court has fixed the new trial date from 1st - 4th August 2011. However, on 1 August 2011, both EPA and the Camozzi Defendants have reached an out of court settlement whereby both parties agreed to withdraw the suit against each other and neither party shall have any claims against the other.

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12 Material pending litigation (Cont'd)

- ii) On 14 May 2008, RGL filed a petition against Viet Star, AOI Saigon Pte Ltd and Amara Holdings Limited in relation to the 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. In addition to the above petition, on 5th and 8th February 2010, RLHSB and RGL had filed separate petitions against Viet Star seeking damages amounting to USD13.383 million and USD9.476 million respectively for the unlawful closure of RGL's club. As advised by the lawyers, these petitions were necessary to file for additional damages to date and to seek direction from the courts in enforcing further judgements which Viet Star had so far not complied.
- On 5 October 2010, the Court rejected our application for an injunction order to bar the Hotel from operating a new gaming club. We have submitted an appeal letter but was rejected by the Court. RLHSB and RGL continue to pursue their legal suit against Viet Star for damages suffered.

13 Dividends

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

14 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

15 Authorisation

This Quarterly Results for the financial period ended 30 June 2011 have been seen and approved by the Board of Directors of Widetech (Malaysia) Berhad on 16 August 2011 for release to the Bursa Securities.

BY ORDER OF THE BOARD

Lim Ming Toong
Lai Chee Wah
Company Secretaries

Dated this 16th day of August 2011.