

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

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2012
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-Dec-12 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Dec-11 RM'000	CURRENT YEAR TODATE 31-Dec-12 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Dec-11 RM'000
1 a Revenue	2,225	2,195	6,573	6,864
b Cost of Sales	(760)	(548)	(2,010)	(2,030)
c Other Operating Expenses	(1,146)	(1,325)	(3,666)	(4,022)
d Other Operating Income	83	320	1,518	1,599
e Profit from Operations	402	642	2,415	2,411
f Finance Costs	(58)	(69)	(187)	(204)
g Share of profit/(loss) of Associate	(800)	(600)	(768)	(2,666)
h Profit/(Loss) before Taxation	(456)	(27)	1,460	(459)
i Taxation	(10)	(39)	(34)	(115)
j Profit/(Loss) for the period	(466)	(66)	1,426	(574)
Attributable to:				
k Equity Holders of the Company	(671)	(292)	526	(1,024)
l Non-Controlling Interest	205	226	900	450
m Profit/(Loss) for the period	(466)	(66)	1,426	(574)
2 Earnings per share (EPS) attributable to Equity Holders of the Company (sen):				
a Basic EPS	(1.50)	(0.65)	1.17	(2.29)
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 2012

WIDETECH (MALAYSIA) BERHAD
(Company No. 113939-U)
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2012
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-Dec-12 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Dec-11 RM'000	CURRENT YEAR TODATE 31-Dec-12 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Dec-11 RM'000
3 a Profit/(Loss) for the period	(466)	(66)	1,426	(574)
b Other Comprehensive (Loss)/Income :				
Currency translation differences of foreign subsidiaries	83	(6)	(70)	(385)
Total Comprehensive Income	(383)	(72)	1,355	(959)
Attributable to :				
c Equity Holders of the Company	(545)	(295)	499	(1,438)
d Non-controlling Interest	162	224	857	479
Total Comprehensive Income	(383)	(72)	1,355	(959)

The above Consolidated Statement of Comprehensive Income should be read
in conjunction with the Audited Financial Statements for the year ended 31 March 2012.

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2012

	(Unaudited) As at 31-Dec-12 RM'000	Audited As at 31-Mar-12 RM'000
Fixed assets	13,456	14,561
Non current assets classified as held-for-sale	-	500
Current assets		
Inventories	906	851
Receivables ,deposits and prepayments	6,596	7,265
Amount due from Associate	4,539	3,222
Current Tax Assets	52	48
Cash and cash equivalents	11,521	9,439
	23,614	20,825
Current liabilities		
Payables and accruals	2,265	2,248
Bank borrowings	471	470
Provision for taxation	-	-
	2,736	2,718
Net current assets	20,878	18,107
	34,334	33,168
Equity		
Share capital	44,753	44,753
Reserves	-15,436	-15,934
Equity attributable to Equity Holders of the Company	29,317	28,819
Non-controlling interest	989	132
	30,306	28,951
Long Term and Deferred Liabilities		
Bank borrowings	3,933	4,122
Deferred tax liabilities	95	95
	34,334	33,168
Net assets per share attributable to Equity Holders of the Company (RM)	0.66	0.64

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2012

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2012
(The figures have not been audited)

	----- Attributable to Equity Holders of the Company ----->					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	Sub-Total RM'000		
At 1 April 2012	44,753	132	(894)	(15,172)	28,819	132	28,951
MFRS adjustment	-	-	(126)	126	-	-	-
As restated	44,753	132	(1,020)	(15,046)	28,819	132	28,951
Total Comprehensive Income for the period	-	-	(28)	526	498	857	1,355
At 31 December 2012	44,753	132	(1,048)	(14,520)	29,317	989	30,306
At 1 April 2011	44,753	132	(683)	(13,795)	30,407	778	31,185
MFRS adjustment	-	-	(126)	126	-	-	-
As restated	44,753	132	(809)	(13,669)	30,407	778	31,185
Total Comprehensive Loss for the period	-	-	(414)	(1,024)	(1,438)	479	(958)
At 31 December 2011	44,753	132	(1,223)	(14,693)	28,969	1,257	30,226

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 2012

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2012
(The figures have not been audited)

	CURRENT YEAR TODATE 31-Dec-12 RM'000	PRECEDING YEAR 31-Dec-11 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	1,461	(459)
Adjustments for:		
Allowance for impairment loss	565	-
Depreciation and amortisation	1,185	1,528
Interest income	(521)	(187)
Interest expenses	187	204
Gain on Disposal of PPE	(969)	-
Operating profit before working capital changes	<u>1,908</u>	<u>1,086</u>
Changes in Inventories	(55)	(192)
Changes in receivables, deposits and prepayments	540	2,219
Changes in amount due from associate	(1,169)	161
Changes in payables and accruals	17	(1,166)
Cash generated from operating activities	<u>1,241</u>	<u>2,108</u>
Tax paid/Tax refund	(39)	(122)
Net cash generated from operating activities	<u>1,202</u>	<u>1,986</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(36)	(44)
Proceeds from Disposal of PPE	919	-
Additional Investment in Associated Company	(149)	(1,778)
Interest income	521	187
Net cash generated from/(used in) investing activities	<u>1,255</u>	<u>(1,635)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	(188)	(211)
Interest paid	(187)	(204)
Net cash used in financing activities	<u>(375)</u>	<u>(415)</u>
Net increase in cash and cash equivalents	2,082	(64)
Cash and cash equivalents at beginning of year	9,439	9,755
Cash and cash equivalents at end of financial period	<u>11,521</u>	<u>9,691</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 :

	31-Dec-12 RM'000	31-Dec-11 RM'000
Deposit with licensed banks and financial institutions	9,787	8,019
Cash and bank balances	1,734	1,672
	<u>11,521</u>	<u>9,691</u>

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NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
31 DECEMBER 2012

A EXPLANATORY NOTES PURSUANT TO FRS 134

1 Basis of Preparation

These interim financial reports of the Group have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial reports also complies with IAS 34 : Interim Financial Reporting issued by the International Accounting Standards Board.

These interim financial reports should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2012. For the periods up to and including year ended 31 March 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards (FRS).

The accounting policies, method of computation and basis of consolidation adopted by the Group in these interim financial reports are consistent with those adopted in the audited financial statements for the year ended 31 March 2012, except for the adoption of MFRS which are mandatory for annual financial periods beginning on or after 1 January 2012.

1.1 Application of MFRS 1

These interim financial reports are the Group's first Malaysian Financial Reporting Standards ("MFRS") compliant interim financial reports and hence, MFRS 1 : First Time Adoption of Malaysian Financial Reporting Standards has been applied.

Exemption for business combinations

MFRS 1 provides the option to apply MFRS 3 : Business Combinations prospectively from the date of transition or from a specific date prior to the date of transition. This provides relief from full retrospective application of MFRS 3 that would require restatement of all business combinations prior to the transition date.

The Group elected to apply MFRS 3 prospectively to business combinations after transition date. Business combinations that was acquired prior to transition date have not been restated.

Foreign currency translation reserve

Under FRS, the Group recognised translation differences on foreign operations as a separate component of equity. Cumulative foreign currency translation differences for all foreign operations are deemed to be Nil as at the transition date to MFRS.

Accordingly, at the transition date to MFRS, the cumulative foreign currency translation differences of RM126,155 (31 December 2011 : RM126,155; 31 March 2012 : RM126,155) were adjusted to retained earnings.

The reconciliations of equity for comparative periods and of equity at transition date reported under FRS to those reported for those periods and at the transition date under MFRS are provided below:

Reconciliation of equity as at 1 January 2011

RM'000	FRS As at 1-Jan-11	Reclassifications	MFRS As at 1-Jan-11
Equity			
Foreign currency translation reserve	126	(126)	-
Accumulated losses	(13,614)	126	(13,488)

Reconciliation of equity as at 31 December 2011

RM'000	FRS As at 30-Dec-11	Reclassifications	MFRS As at 30-Dec-11
Equity			
Foreign currency translation reserve	(1,097)	(126)	(1,223)
Accumulated losses	(14,820)	126	(14,694)

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31 DECEMBER 2012

1.1 Application of MFRS 1 (cont'd)
Foreign currency translation reserve (cont'd)

Reconciliation of equity as at 31 March 2012

RM'000	FRS As at 31-Mar-12	Reclassifications	MFRS As at 31-Mar-12
Equity			
Foreign currency translation reserve	(894)	(126)	(1,020)
Accumulated losses	(15,172)	126	(15,046)

Saved as disclosed above, the adoption of MFRS framework is not expected to have any significant impact on the financial statements of the Group and hence, no reconciliation of the transition from FRSs to MFRSs were prepared.

2 Status of Audit Qualification

The annual financial statements for the year ended 31 March 2012 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.

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 years.

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 for the financial period under review.

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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 31 December 2012							
Revenue from external customers	2,953	490	1,702	1,159	269	-	6,573
Inter-segment revenue	-	570	-	-	308	(878)	-
Total Revenue	2,953	1,060	1,702	1,159	577	(878)	6,573
Segment Result	140	(233)	2,241	(108)	68	(214)	1,894
Interest income							521
Finance costs							(187)
Share of Loss of Associate							(768)
Loss before Tax							1,460
Segment Assets	2,573	4,308	6,222	3,554	10,574		27,230
Unallocated assets							9,840
							37,070
Segment Liabilities	352	1,187	239	173	408		2,360
Unallocated liabilities							4,404
							6,764

9 Subsequent Events

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

10 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 2 November 2011, the Company applied to strike off its wholly owned subsidiary, GW Capital Sdn Bhd, which has ceased operation since 30 September 2009. The Companies Commission of Malaysia ("CCM") had approved the said strike off with effect from 29 November 2012.

11 Contingent liabilities

Saved as disclosed below, the Group did not have any material contingent liabilities as at 22 February 2013 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report):-

- i) As disclosed in the audited financial statements for the year ended 31 March 2012, a third party commenced an action against Rich Lee Holdings Sdn. Bhd. ("RLHSB"), a wholly owned subsidiary, in respect of a friendly loan amounting to RM1,335,000 purportedly given to RLHSB in 2007. RLHSB was acquired on 10 June 2009 and based on the available records of RLHSB, there is no indication of the existence of such a loan. RLHSB is disputing the claim and the legal suit is fixed for trial on 5 March 2013. As at the date of this report, the Directors are unable to assess the outcome of the action and will assess the legal position once the third party fully discloses his evidence. The Directors are of the view that presently the legal action is unlikely to have a material effect on the Group's financial position.

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 31 DECEMBER 2012

12 Capital Commitments

The Group did not have any material capital commitment as at 22 February 2013 (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 31-Dec-02 RM'000
Management fees receivable	225
Rental receivable	83
	83

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

	As at 31-Dec-02 RM'000
Rental receivable	206
	206

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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 RM6.573 million and a pre-tax profit of RM1.461 million for the financial period ended 31 December 2012 as compared to the preceding year's corresponding period turnover of RM6.864 million and a pre-tax profit loss of RM0.459 million.

The gaming operations registered a higher revenue of RM1.702 million and a pre-tax profit of RM2.525 million against a revenue of RM1.559 million and a pre-tax profit of RM1.699 million in the preceding year's corresponding period. The Vietnam operations registered a higher pre-tax profit of RM1.893 million as compared to RM0.973 million in the preceding year's corresponding period. This was mainly due to a gain on disposal of a subsidiary's freehold land of RM0.700 million, which was earlier foreclosed by the Bank before our acquisition of the subsidiary in 2009, for the settlement of banking facilities granted to a former director of the subsidiary.

In addition, the Cambodia operations recorded a gain on disposal of its gaming machines of approximately RM0.264 million in the current financial period.

Amidst stiff competition in the market, the manufacturing division posted a lower revenue of RM2.953 million and a pre-tax profit of RM0.438 million, as compared to a revenue of RM3.337 million and a pre-tax profit of RM0.546 million in the preceding year's corresponding period.

As expected, the consumer financing business continue to record a lower profit with its revenue and pre-tax profit declining by 37% to RM0.490 million and 83% to RM0.52 million respectively due to a lower loan base as the company had ceased this business.

Although the hotel operation in Laos remained loss-making, its revenue increased by 25% to RM1.159 million and pre-tax loss reduced by 83% to RM0.107 million.

Our investment in an associate which operates a casino in Kathmandu, Nepal, contributed to a share of loss of RM0.768 million, as compared to share of loss of RM2.665 million in the preceding year's corresponding period.

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

For the 3rd quarter ended 31 December 2012, the Group achieved a turnover of RM2.225 million and generated a pre-tax loss of RM0.456 million as compared to a revenue of RM1.800 million and pre-tax profit of RM0.698 million in the preceding quarter ended 30 September 2012.

The declined result in the current quarter was mainly attributed to the gaming operations :-

- i) Pre-tax profit from the Vietnam operations declined by approximately RM0.374 million as compared to the preceding quarter. The higher profit registered in the preceding quarter was mainly derived from the gain on disposal of a subsidiary's freehold land of RM0.700 million, as highlighted in Item 1 of Part B above.
- ii) Our share of loss in our associate which operates a casino in Kathmandu amounted to RM0.800 million against a share of profit of RM0.081 million in the preceding quarter.

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3 Realised and Unrealised Profits/Losses

	As at 31-Dec-02 RM'000	As at 31-Mar-12 RM'000
Total accumulated losses of the Group :		
Realised	(43,136)	(45,233)
Unrealised	205	(105)
	<u>(42,932)</u>	<u>(45,338)</u>
Total accumulated losses from the associate :		
Realised	(3,902)	(3,135)
	<u>(46,833)</u>	<u>(48,473)</u>
Consol adjustments	32,313	33,428
Total accumulated losses	<u>(14,520)</u>	<u>(15,045)</u>

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 interest income resulting from loan redemption.
- ii) Amidst stiff competition in the market, the manufacturing division will strive to remain resilient and continue to embark on improvement in production and operational efficiencies to deliver satisfactory operational performance.
- 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) Our gaming operations on a revenue sharing basis with the casino in Cambodia is expected to contribute positively to the long term earnings of the Group.
- 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) The newly renovated casino operated by our associate company in Kathmandu, Nepal is expected to contribute positively to the long term earnings of the Group.

5 Variance of Actual Profit from Forecast Profit

Not Applicable as no profit forecast was published.

6 Taxation

	As at 31-Dec-02 RM'000
Current year taxation	34
Total	<u>34</u>

The tax charges is not reflective of the Group's performance. This is mainly due to the profit of subsidiaries incorporated overseas are not subject to taxation.

7 Status of corporate proposals

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

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8 Group Borrowings and Debt Securities

The Group borrowings and debt securities as at 31 December 2012 are as follows:-

	RM'000
A Short Term Borrowings	
Secured	
Term loan	449
Hire purchase obligation	22
	471
B Long Term Borrowings	
Secured	
Term loan	3,885
Hire purchase obligation	48
	3,933

9 Material pending litigation

The Group was not engaged in any material / material pending litigation as at 22 February 2013 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

10 Dividends

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

11 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

12 Authorisation

This Quarterly Results for the financial period ended 31 December 2012 have been seen and approved by the Board of Directors of Widetech (Malaysia) Berhad on 26 February 2013 for release to the Bursa Securities.

BY ORDER OF THE BOARD

Chia Siew Chin
Pang Chia Tyng
Company Secretaries

Dated this 26th day of February 2013