

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

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2013
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Sep-13 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Sep-12 RM'000	CURRENT YEAR TODATE 30-Sep-13 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Sep-12 RM'000
1 a Revenue	2,590	1,800	4,912	4,348
b Cost of Sales	(826)	(526)	(1,466)	(1,250)
c Other Operating Expenses	(1,095)	(1,331)	(2,217)	(2,520)
d Other Operating Income	71	730	148	1,434
e Profit from Operations	740	673	1,377	2,012
f Finance Costs	(39)	(58)	(98)	(128)
g Share of loss of Associate	(468)	83	(1,301)	33
h (Loss)/Profit before Taxation	233	698	(22)	1,917
i Taxation	(11)	(6)	26	(26)
j Profit/(Loss) after Taxation	222	692	4	1,891
Attributable to:				
k Equity Holders of the Company	(179)	464	(658)	1,196
l Non-Controlling Interest	401	228	662	695
m Profit/(Loss) after Taxation	222	692	4	1,891
2 Earnings per share (EPS) attributable to Equity Holders of the Company (sen):				
a Basic EPS	(0.40)	1.04	(1.47)	2.67
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 2013

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2013
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Sep-13 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Sep-12 RM'000	CURRENT YEAR TODATE 30-Sep-13 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Sep-12 RM'000
3 a Profit/(Loss) after Taxation	222	692	4	1,891
b Other Comprehensive Loss : Currency translation differences of foreign subsidiaries	246	30	158	(154)
Total Comprehensive Income/(Loss)	468	722	162	1,737
Attributable to :				
c Equity Holders of the Company	(303)	551	(990)	1,099
d Non-controlling Interest	771	171	1,152	638
Total Comprehensive Income/(Loss)	468	722	162	1,737

The above Consolidated Statement of Comprehensive Income should be read
in conjunction with the Audited Financial Statements for the year ended 31 March 2013

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2013
(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 2013	44,753	132	(783)	(15,038)	29,064	41	29,105
Total Comprehensive Income for the period	-	-	330	(658)	(328)	490	162
At 30 September 2013	<u>44,753</u>	<u>132</u>	<u>(453)</u>	<u>(15,696)</u>	<u>28,736</u>	<u>531</u>	<u>29,267</u>
At 1 April 2012, restated	44,753	132	(212)	(15,854)	28,819	132	28,951
Total Comprehensive Income for the period	-	-	(97)	1,196	1,099	638	1,737
At 30 September 2012	<u>44,753</u>	<u>132</u>	<u>(309)</u>	<u>(14,658)</u>	<u>29,918</u>	<u>770</u>	<u>30,688</u>

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 2013

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2013

	(Unaudited) As at 30-Sep-13 RM'000	Audited As at 31-Mar-13 RM'000
Fixed assets	12,742	13,141
Current assets		
Inventories	808	783
Receivables ,deposits and prepayments	5,665	5,324
Amount due from Associate	6,419	5,569
Current Tax Assets	84	80
Cash and cash equivalents	10,696	11,141
	23,672	22,897
Current liabilities		
Payables and accruals	2,794	2,452
Bank borrowings	471	471
	3,265	2,923
Net current assets	20,407	19,974
	33,149	33,115
Equity		
Share capital	44,753	44,753
Reserves	-16,017	-15,689
Equity attributable to Equity Holders of the Company	28,736	29,064
Non-controlling interest	531	41
	29,267	29,105
Long Term and Deferred Liabilities		
Bank borrowings	3,740	3,868
Deferred tax liabilities	142	142
	33,149	33,115
Net assets per share attributable to Equity Holders of the Company (RM)	0.64	0.65

The above Condensed Consolidated Statement of Financial Position should be read
in conjunction with the Audited Financial Statements for the year ended 31 March 2013

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2013
(The figures have not been audited)

	CURRENT YEAR TODATE 30-Sep-13 RM'000	PRECEDING YEAR 30-Sep-12 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/Profit before Taxation	(22)	1,917
Adjustments for:		
Allowance for impairment loss	-	566
Depreciation and amortisation	608	798
Interest income	(148)	(444)
Interest expenses	98	129
Property, plant and equipment written off	0.25	-
Gain on disposal of PPE	-	(969)
Share of result of associate	1,301	-
Operating profit before working capital changes	<u>1,837</u>	<u>1,997</u>
Changes in Inventories	(25)	(112)
Changes in receivables, deposits and prepayments	(319)	702
Changes in amount due from associate	(2,150)	(1,437)
Changes in payables and accruals	342	(145)
Cash generated from operating activities	<u>(315)</u>	<u>1,005</u>
Tax refund/(Tax paid)	22	(39)
Net cash (used in)/generated from operating activities	<u>(293)</u>	<u>966</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(74)	(43)
Proceeds from Disposal of PPE	-	920
Additional Investment in Associated Company	-	(149)
Interest income	148	444
Net cash generated from investing activities	<u>74</u>	<u>1,172</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	(128)	(125)
Interest paid	(98)	(129)
Net cash used in financing activities	<u>(226)</u>	<u>(254)</u>
Net (decrease)/increase in cash and cash equivalents	(445)	1,884
Cash and cash equivalents at beginning of year	11,141	9,439
Cash and cash equivalents at end of financial period	<u>10,696</u>	<u>11,323</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-Sep-13 RM'000	30-Sep-12 RM'000
Deposit with licensed banks and financial institutions	9,205	8,590
Cash and bank balances	1,491	2,733
	<u>10,696</u>	<u>11,323</u>

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NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 SEPTEMBER 2013

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.

These interim financial reports should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2013.

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 2013, except for the adoption of those relevant mandatory new/revised accounting standards for annual financial periods beginning on or after 1 April 2013.

The following MFRS has been issued but not yet effective:

MFRS 9 : Financial Instruments - Classification and measurement of financial assets and financial liabilities
(effective 1 January 2015)

The adoption of the above MFRS is not expected to have any significant impact to the Group.

2 Status of Audit Qualification

The annual financial statements for the year ended 31 March 2013 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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30 SEPTEMBER 2013

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 September 2013							
Revenue from external customers	2,359	218	1,498	657	180	-	4,912
Inter-segment revenue	-	380	-	-	206	(586)	-
Total Revenue	2,359	598	1,498	657	386	(586)	4,912
Segment Result	296	(206)	1,360	(109)	614	(726)	1,229
Interest income							148
Finance costs							(98)
Share of Loss of Associate							(1,301)
Loss before Tax							(22)
Segment Assets	2,535	3,511	8,138	3,226	9,715		27,125
Unallocated assets							9,289
							36,414
Segment Liabilities	432	1,390	568	157	389		2,936
Unallocated liabilities							4,211
							7,147

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) A wholly-owned dormant subsidiary, EPA Automation Pte Ltd incorporated in Singapore, had been successfully struck off the register of the Accounting and Corporate Regulatory Authority in the 1st Quarter ended 30 June 2013.

11 Contingent liabilities

Saved as disclosed below, the Group did not have any material contingent liabilities as at 22 November 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 latest audited financial statements, a third party commenced an action against Rich Lee Holdings Sdn. Bhd. ("RLHSB"), a wholly owned subsidiary, in respect of a loan amounting to RM1.335 million purportedly given to RLHSB in 2007. RLHSB was acquired on 10 June 2009 and based on available records of RLHSB, there is no indication of the existence of such a loan. RLHSB is disputing the claim. On 21 June 2013, the Court had dismissed the third party's action against RLHSB. On 8 July 2013, the third party filed an appeal against the Court's decision but the appeal had been dismissed by the Court on 10 October 2013.

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12 Capital Commitments

The Group did not have any material capital commitment as at 22 November 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 30-Sep-13 RM'000
Management fees receivable	150
Rental receivable	<u>56</u>

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

	As at 30-Sep-13 RM'000
Rental receivable	<u>138</u>

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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 RM4.912 million and a pre-tax loss of RM0.022 million for the financial period ended 30 September 2013 against the preceding year's corresponding period turnover of RM4.348 million and a pre-tax profit of RM1.917 million.

The gaming operations registered a higher revenue of RM1.498 million but a lower pre-tax profit of RM1.360 million against a revenue of RM1.265 million and a pre-tax profit of RM2.196 million in the preceding year's corresponding period. The Vietnam operations posted a lower current pre-tax profit of RM1.327 million against a pre-tax profit of RM1.488 million in the preceding year's corresponding period. The higher preceding year's corresponding year profit was mainly to a gain on disposal of a subsidiary's land of RM0.700 million.

Generally, the Cambodia operations also recorded a lower profit whereby the higher preceding year's corresponding period pre-tax profit was partly due to a gain on disposal of its gaming machines of approximately RM0.267 million.

The manufacturing division posted an improved revenue of RM2.359 million and a pre-tax profit of RM0.495 million, against a revenue of RM1.857 million and a pre-tax profit of RM0.218 million in the preceding year's corresponding period.

As expected, the consumer financing business continue to record a lower profit with its revenue declining by 37% to RM0.218 million, with a pre-tax loss of RM0.008 million due to a declining loan base as the Company had ceased this business.

The hotel operation in Laos remained loss-making, with a 6% decrease in revenue to RM0.657 million, whilst its pre-tax loss reduced by 10% to RM0.114 million.

Our associated company which operates a casino in Kathmandu, Nepal, contributed to a higher share of loss of RM1.301 million against a share of profit of RM0.033 million in the preceding year's corresponding period. Pursuant to the Nepal government's latest gaming regulations governing casinos which include higher annual royalty fee and new license fee, the Management has suspended its casino operations in Nepal at the end of September 2013, due to significant higher operating costs. The Company will closely monitor and evaluate its position over the next few months.

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

For the 2nd quarter ended 30 September 2013, the Group achieved a turnover of RM2.590 million and generated a pre-tax profit of RM0.233 million as compared to a revenue of RM2.321 million and pre-tax loss of RM0.256 million in the preceding quarter ended 30 June 2013.

The profits in the current quarter was mainly attributed to the following factor :-

- i) The Vietnam operations registered a higher pre-tax profit of RM0.850 million against a pre-tax profit of RM0.477 million in the preceding quarter.
- ii) Our associate contributed to a lower share of loss of RM0.468 million against a share of loss of RM0.833 million in the preceding quarter.

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3 Realised and Unrealised Profits/Losses

	As at 30-Sep-13 RM'000	As at 31-Mar-13 RM'000
Total accumulated losses of the Group :		
Realised	(41,521)	(40,778)
Unrealised	142	142
	<u>(41,379)</u>	<u>(40,636)</u>
Total accumulated losses from the associate :		
Realised	(1,301)	(765)
	<u>(42,680)</u>	<u>(41,401)</u>
Consol adjustments	26,984	26,363
Total accumulated losses	<u>(15,696)</u>	<u>(15,038)</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 a 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 Management is presently monitoring and evaluating the situation in Nepal pursuant to the recently introduced new gaming regulations governing casinos. The Management will take the necessary steps to mitigate any financial impact on our investment in Nepal.

5 Variance of Actual Profit from Forecast Profit

Not Applicable as no profit forecast was published.

6 Taxation

	As at 30-Sep-13 RM'000
Current year taxation	(30)
(Over)/Under provision in prior year	56
Total	<u>26</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.

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7 Status of corporate proposals

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

8 Group Borrowings and Debt Securities

The Group borrowings and debt securities as at 30 September 2013 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	3,709
Hire purchase obligation	31
	3,740

9 Material pending litigation

The Group was not engaged in any material / material pending litigation as at 22 November 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 period.

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 30 September 2013 have been seen and approved by the Board of Directors of Widetech (Malaysia) Berhad on 26 November 2013 for release to the Bursa Securities.

BY ORDER OF THE BOARD

Anna Lee Ai Leng
Pang Chia Tyng
Company Secretaries

Dated this 26th day of November 2013