

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2014

	(Unaudited) As at 30-Sep-14 RM'000	Audited As at 31-Mar-14 RM'000
<b>Fixed assets</b>	11,912	12,344
<b>Deferred Tax Assets</b>	491	491
<b>Current assets</b>		
Inventories	1,033	862
Receivables ,deposits and prepayments	5,848	5,069
Amount due from Associate	1,330	986
Current Tax Assets	5	4
Cash and cash equivalents	13,769	13,043
	21,985	19,964
<b>Current liabilities</b>		
Payables and accruals	2,672	2,802
Bank borrowings	232	277
Provision for taxation	12	25
	2,916	3,104
<b>Net current assets</b>	19,069	16,860
	31,472	29,695
<b>Equity</b>		
Share capital	44,753	44,753
Reserves	-18,012	-20,738
Equity attributable to Equity Holders of the Company	26,741	24,015
Non-controlling interest	1,019	1,880
	27,760	25,895
<b>Long Term and Deferred Liabilities</b>		
Bank borrowings	3,712	3,800
Deferred tax liabilities	-	-
	31,472	29,695
<b>Net assets per share attributable to Equity Holders of the Company (RM)</b>	0.60	0.54

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014

WIDETECH (MALAYSIA) BERHAD  
(Company No. 113939-U)  
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CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2014  
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Sep-14 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Sep-13 RM'000	CURRENT YEAR TODATE 30-Sep-14 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Sep-13 RM'000
1 a Revenue	2,151	2,590	5,334	4,912
b Cost of Sales	-532	-826	-1,300	-1,466
c Other Operating Expenses	-1,058	-1,095	-2,490	-2,217
d Other Operating Income	94	71	176	148
e Profit from Operations	655	740	1,720	1,377
f Finance Costs	-55	-39	-108	-98
g Share of profit/(loss) on Associate	53	-468	-81	-1,301
h Profit/(Loss) before Taxation	653	233	1,531	-22
i Taxation	-24	-11	-49	26
j Profit after Taxation	629	222	1,482	4
Attributable to:				
k Equity Holders of the Company	282	-179	2,343	-658
l Non-Controlling Interest	347	401	-861	662
m Profit after Taxation	629	222	1,482	4
2 Earnings per share (EPS) attributable to Equity Holders of the Company (sen):				
a Basic EPS	0.63	-0.40	5.24	-1.47
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 2014

WIDETECH (MALAYSIA) BERHAD  
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2014  
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Sep-14 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Sep-13 RM'000	CURRENT YEAR TODATE 30-Sep-14 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Sep-13 RM'000
3 a Profit after Taxation	629	222	1,482	4
b Other Comprehensive Loss : Currency translation differences of foreign subsidiaries	58	246	383	158
<b>Total Comprehensive Income</b>	<b>687</b>	<b>468</b>	<b>1,865</b>	<b>162</b>
c Attributable to : Equity Holders of the Company	-2	-303	2,726	-328
d Non-controlling Interest	689	771	-861	490
<b>Total Comprehensive Income</b>	<b>687</b>	<b>468</b>	<b>1,865</b>	<b>162</b>

The above Consolidated Statement of Comprehensive Income should be read  
in conjunction with the Audited Financial Statements for the year ended 31 March 2014

WIDETECH (MALAYSIA) BERHAD  
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2014  
(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 2014	44,753	132	283	-21,153	24,015	1,880	25,895
Total Comprehensive Income for the period	-	-	383	2,343	2,727	-861	1,865
At 30 September 2014	44,753	132	666	-18,810	26,741	1,019	27,760
At 1 April 2013	44,753	132	-783	-15,038	29,064	41	29,105
Total Comprehensive Loss for the period	-	-	330	-658	-328	490	162
At 30 September 2013	44,753	132	-453	-15,698	28,736	531	29,267

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 2014

WIDETECH (MALAYSIA) BERHAD  
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2014  
(The figures have not been audited)

	CURRENT YEAR TODATE 30-Sep-14 RM'000	PRECEDING YEAR 30-Sep-13 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before Taxation	1,531	-22
Adjustments for:		
Depreciation and amortisation	489	608
Interest income	-170	-148
Interest expenses	108	98
Gain on disposal of PPE	-15	-
Share of result of associate	81	1,301
<b>Operating profit before working capital changes</b>	<b>2,024</b>	<b>1,837</b>
Changes in Inventories	-171	-25
Changes in receivables, deposits and prepayments	-386	-319
Changes in amount due from associate	-425	-2,150
Changes in payables and accruals	-146	342
<b>Cash generated from operating activities</b>	<b>896</b>	<b>-315</b>
Tax (paid)/refund	-50	22
<b>Net cash generated from operating activities</b>	<b>846</b>	<b>-293</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment	-50	-74
Interest income	170	148
<b>Net cash generated from investing activities</b>	<b>120</b>	<b>74</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bank borrowings	-132	-128
Interest paid	-108	-98
<b>Net cash used in financing activities</b>	<b>-240</b>	<b>-226</b>
Net decrease in cash and cash equivalents	726	-445
Cash and cash equivalents at beginning of year	13,043	11,141
<b>Cash and cash equivalents at end of financial period</b>	<b>13,769</b>	<b>10,696</b>

**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-14 RM'000	30-Sep-13 RM'000
Deposit with licensed banks and financial institutions	11,284	9,205
Cash and bank balances	2,485	1,491
	<b>13,769</b>	<b>10,696</b>

The above Condensed Consolidated Cash Flow Statement should be read in conjunction  
with the Audited Financial Statements for the year ended 31 March 2014

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NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED  
30 SEPTEMBER 2014

**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 2014.

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 2014, except for the adoption of those relevant mandatory new/revised accounting standards for annual financial periods beginning on or after 1 April 2014.

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 2014 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
<b>As at 30 September 2014</b>							
Revenue from external customers	2,052	152	2,355	595	180	-	5,334
Inter-segment revenue	-	255	-	-	206	-461	-
<b>Total Revenue</b>	<b>2,052</b>	<b>407</b>	<b>2,355</b>	<b>595</b>	<b>386</b>	<b>-461</b>	<b>5,334</b>
<b>Segment Result</b>	<b>127</b>	<b>-236</b>	<b>2,206</b>	<b>-164</b>	<b>-68</b>	<b>-315</b>	<b>1,550</b>
Interest income							170
Finance costs							-108
Share of Loss of Associate							-81
<b>Profit before Tax</b>							<b>1,531</b>
<b>Segment Assets</b>	<b>2,309</b>	<b>3,147</b>	<b>4,779</b>	<b>3,093</b>	<b>9,279</b>		<b>22,607</b>
Unallocated assets							11,781
							<b>34,388</b>
<b>Segment Liabilities</b>	<b>306</b>	<b>1,634</b>	<b>165</b>	<b>148</b>	<b>419</b>		<b>2,672</b>
Unallocated liabilities							3,956
							<b>6,628</b>

### 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 subsidiary, Enselini International Limited incorporated in the British Virgin Islands, had been successfully struck off the register of the Registrar of Corporate Affairs in 1st Quarter ended 30 June 2014.

### 11 Contingent liabilities

Saved as disclosed below, the Group did not have any material contingent liabilities as at 21 November 2014 (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 of Appeal on 10 October 2013. Subsequent to this, the third party's application for leave to appeal to the Federal Court had been dismissed by the Court on 24 June 2014.

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 30 SEPTEMBER 2014

**12 Capital Commitments**

The Group did not have any material capital commitment as at 21 November 2014 (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-14 RM'000
Management fees receivable	150

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

	As at 30-Sep-14 RM'000
Rental receivable	134



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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 RM5.334 million and a pre-tax profit of RM1.531 million for the financial period ended 30 September 2014 against the preceding year's corresponding period turnover of RM4.912 million and a pre-tax loss of RM0.022 million.

The gaming operations in Vietnam and Cambodia achieved a higher revenue of RM2.355 million and a pre-tax profit of RM1.787 million against a revenue of RM1.498 million and a pre-tax profit of RM1.360 million in the preceding year's corresponding period. Despite an improved revenue in 2014, the elimination of inter-company debts and provisions arising from the striking off of a subsidiary has reduced this division's pre-tax profit by RM0.419 million.

After due consideration of the new annual royalty fee imposed by the Nepalese government, the Board has decided to close the casino in Nepal as it is no longer feasible. The casino has been suspended since September 2013 and full provisions and impairments have been made in the last audited financial statements ended 31 March 2014. The electronic gaming outlets in Nepal which was closed in April 2014, is now re-opened in August 2014. Our share of loss on associate amounted to RM0.081 million against RM1.301 in the preceding year's corresponding period.

The manufacturing division registered a lower revenue of RM2.052 million and a pre-tax profit of RM0.328 million, against a revenue of RM2.359 million and a pre-tax profit of RM0.495 million in the preceding year's corresponding period. This is mainly due to smaller sales order from a major overseas customer.

As expected, the consumer financing business continue to record a lower profit with a declining revenue of RM0.152 million and a pre-tax loss of RM0.019 million due to a declining loan base as the Company had ceased this business.

The hotel operation in Laos remained loss-making, with a 9% decrease in revenue to RM0.595 million, and a lower pre-tax loss of RM0.167 million, as compared to a pre-tax loss of RM0.114 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 2nd quarter ended 30 September 2014, the Group achieved a turnover of RM2.151 million and generated a pre-tax profit of RM0.653 million as compared to a revenue of RM3.183 million and pre-tax profit of RM0.877 million in the preceding quarter ended 30 June 2014.

In the preceding quarter, the Vietnam operations achieved record breaking revenue of RM1.416 million, as compared to a revenue of RM0.766 million in the current quarter.

As highlighted in Item B1 above, the manufacturing division received smaller sales order from a major overseas customer, which resulted in a lower pre-tax profit of RM0.122 million, as compared to a pre-tax profit of RM0.206 million in the preceding quarter.

The hotel division also experienced a slow down in their business in the current quarter. It recorded a higher pre-tax loss of RM0.127 million against RM0.040 million in the preceding quarter.

As highlighted in item B1 above, the re-opening of the electronic gaming outlets in Nepal in August 2014 has resulted in a share of pre-tax profit on associate of RM0.053 million, as compared to a pre-tax loss of RM0.134 million in the preceding quarter.

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**3 Realised and Unrealised Profits/Losses**

	As at 30-Sep-14 RM'000	As at 31-Mar-14 RM'000
Total accumulated losses of the Group :		
Realised	-38,678	-37,640
Unrealised	-635	-635
	<u>-39,313</u>	<u>-38,275</u>
Total accumulated losses from the associate :		
Realised	-81	-4,558
	<u>-39,394</u>	<u>-42,833</u>
Consol adjustments	20,584	21,681
Total accumulated losses	<u><u>-18,810</u></u>	<u><u>-21,152</u></u>

**4 Prospects**

- i) The consumer finance business will continue to contribute positively to the 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 ensure the competitiveness of its products.
- 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 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.
- v) 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) After due consideration of the new annual royalty fee imposed by the Nepalese government, the Board has decided to closed the casino in Nepal as it is no longer feasible. The electronic gaming outlets in Nepal which was closed in April 2014, is now re-opened in August 2014. These outlets are expected to contribute positively to the earnings of the Group.

**5 Variance of Actual Profit from Forecast Profit**

Not Applicable as no profit forecast was published.

**6 Taxation**

	As at 30-Sep-14 RM'000
<b><u>Current tax expenses</u></b>	
Current year	49
Total	<u><u>49</u></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 2014 are as follows:-

	RM'000
<b>A Short Term Borrowings</b>	
<b>Secured</b>	
Term loan	210
Hire purchase obligation	22
	232
	232
<b>B Long Term Borrowings</b>	
<b>Secured</b>	
Term loan	3,703
Hire purchase obligation	9
	3,712
	3,712

**9 Material pending litigation**

The Group was not engaged in any material / material pending litigation as at 21 November 2014 (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 2014 have been seen and approved by the Board of Directors of Widetech (Malaysia) Berhad on 25 November 2014 for release to the Bursa Securities.

BY ORDER OF THE BOARD

Lim Seck Wah  
Tang Chi Hoe (Kevin)  
Company Secretaries

Dated this 25th day of November 2014