

WIDETECH (MALAYSIA) BERHAD
 (Company No. 113939-U)
 (Incorporated in Malaysia)
 AND ITS SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2016

	(Unaudited) As at 30-Jun-16 RM'000	Audited As at 31-Mar-16 RM'000
Fixed assets	11,158	11,054
Deferred Tax Assets	427	427
Current assets		
Inventories	824	686
Receivables ,deposits and prepayments	3,829	4,048
Amount due from Associate	1,846	2,078
Current Tax Assets	32	34
Cash and cash equivalents	20,486	19,164
	27,017	26,010
Current liabilities		
Payables and accruals	3,026	2,895
Bank borrowings	289	256
Provision for taxation	5	5
	3,320	3,156
Net current assets	23,697	22,854
	35,282	34,335
Equity		
Share capital	44,753	44,753
Reserves	-12,448	-13,451
Equity attributable to Equity Holders of the Company	32,305	31,302
Non-controlling interest	-313	-258
	31,992	31,044
Long Term and Deferred Liabilities		
Bank borrowings	3,290	3,291
	35,282	34,335
Net assets per share attributable to Equity Holders of the Company (RM)	0.72	0.70

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2016

WIDETECH (MALAYSIA) BERHAD
(Company No. 113939-U)
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CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2016

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Jun-16 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Jun-15 RM'000	CURRENT YEAR TODATE 30-Jun-16 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Jun-15 RM'000
1 a Revenue	1,641	2,777	1,641	2,777
b Cost of Sales	-687	-716	-687	-716
c Other Operating Expenses	-924	-1,086	-924	-1,086
d Other Operating Income	150	161	150	161
e Profit from Operations	181	1,136	181	1,136
f Finance Costs	-41	-37	-41	-37
g Share of profit on Associate	405	104	405	104
h Profit before Taxation	545	1,203	545	1,203
i Taxation	-8	-5	-8	-5
j Profit after Taxation	537	1,198	537	1,198
Attributable to:				
k Equity Holders of the Company	568	646	568	646
l Non-Controlling Interest	-31	552	-31	552
m Profit after Taxation	537	1,198	537	1,198
2 Earnings per share (EPS) attributable to Equity Holders of the Company (sen):				
a Basic EPS	1.27	1.44	1.27	1.44
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 2016

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2016
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Jun-16 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Jun-15 RM'000	CURRENT YEAR TODATE 30-Jun-16 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Jun-15 RM'000
3 a Profit after Taxation	537	1,198	537	1,198
b Other Comprehensive Income : Currency translation differences of foreign subsidiaries	411	477	411	477
Total Comprehensive Income	948	1,675	948	1,675
Attributable to :				
c Equity Holders of the Company	1,003	1,147	1,003	1,147
d Non-controlling Interest	-55	528	-55	528
Total Comprehensive Income	948	1,675	948	1,675

The above Consolidated Statement of Comprehensive Income should be read
in conjunction with the Audited Financial Statements for the year ended 31 March 2016

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2016
(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 2016	44,753	132	3,342	-16,925	31,302	-258	31,044
Total Comprehensive Income for the period	-	-	435	568	1,003	-55	948
At 30 June 2016	44,753	132	3,777	-16,357	32,305	-313	31,992
At 1 April 2015	44,753	132	2,265	-18,004	29,146	-151	28,995
Total Comprehensive Income for the period	-	-	501	646	1,147	528	1,675
Distributions paid to Non Controlling Interest	-	-	-	-	-	-583	-583
At 30 June 2015	44,753	132	2,766	-17,358	30,293	-206	30,087

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 2016

WIDETECH (MALAYSIA) BERHAD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2016
(The figures have not been audited)

	CURRENT YEAR TODATE 30-Jun-16 RM'000	PRECEDING YEAR 30-Jun-15 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Taxation	545	1,203
Adjustments for:		
Depreciation and amortisation	237	243
Interest income	-151	-113
Interest expenses	41	38
Gain on disposal of PPE	-70	-6
Share of result of associate	-405	-104
Operating profit before working capital changes	<u>197</u>	<u>1,261</u>
Changes in Inventories	-138	-37
Changes in receivables, deposits and prepayments	557	309
Changes in amount due from associate	637	-441
Changes in payables and accruals	131	-377
Cash generated from operating activities	<u>1,384</u>	<u>715</u>
Tax refund/(paid)	-5	-18
Net cash generated from operating activities	<u>1,379</u>	<u>697</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	-170	-66
Proceeds from Disposal of PPE	70	6
Interest income	151	113
Net cash generated from investing activities	<u>51</u>	<u>53</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution to Non Controlling Interests	-	-588
Bank borrowings	-67	-83
Interest paid	-41	-38
Net cash used in financing activities	<u>-108</u>	<u>-709</u>
Net increase in cash and cash equivalents	1,322	41
Cash and cash equivalents at beginning of year	19,164	16,534
Cash and cash equivalents at end of financial period	<u>20,486</u>	<u>16,575</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-16 RM'000	30-Jun-15 RM'000
Deposit with licensed banks and financial institutions	16,139	12,898
Cash and bank balances	4,347	3,677
	<u>20,486</u>	<u>16,575</u>

The above Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2016

WIDETECH (MALAYSIA) BERHAD
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NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 JUNE 2016

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 2016.

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 2016, except for the adoption of the following new/revised accounting standards that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group:

<u>MFRS and Amendments to MFRSs</u>	<u>Effective Date</u>
MFRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to MFRS 10 and MFRS 128: Sale or contribution of assets between an investor and its associates or joint-venture	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities - Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 11: Joint Arrangements: Accounting for acquisitions of interests in joint operations	1 January 2016
Amendments to MFRS 101: Presentation of Financial Statements - Disclosure initiative	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of acceptable methods of depreciation and amortisation	1 January 2016
Amendments to MFRS 127: Consolidated and Separate Financial Statements - Equity Method in Separate Financial Statements	1 January 2016
Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendments to MFRS 102 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Loss	1 January 2017
Amendments to MFRS 107 Statement of Cash Flows: Disclosure initiative	1 January 2017
MFRS 9: Financial Instruments (IFRS 9 Issued by IASB in July 2014)	1 January 2018
MFRS 15: Revenue from Contracts with Customers	1 January 2018
Amendments to FRS 9 Financial Instruments - Disclosures: Mandatory effective date of MFRS 9 and transitional disclosures.	1 January 2018
MFRS 116 Leases	1 January 2019

Other than MFRS 9 and MFRS 15, the initial adoption of the above MFRS is not expected to have any significant impact to the Group. The Group is currently assessing the financial impact of adopting MFRS 9 and MFRS 15.

2 Status of Audit Qualification

The annual financial statements for the year ended 31 March 2016 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 2016

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.

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 2016							
Revenue from external customers	1,076	37	106	332	90	-	1,641
Inter-segment revenue	-	75	-	-	75	-150	-
Total Revenue	1,076	112	106	332	165	-150	1,641
Segment Result	158	-17	66	-141	667	-703	30
Interest income							151
Finance costs							-41
Share of Profit on Associate							405
Profit before Tax							545
Segment Assets	2,528	2,666	4,572	2,859	9,379		22,004
Unallocated assets							16,598
							38,602
Segment Liabilities	383	1,618	232	320	473		3,026
Unallocated liabilities							3,584
							6,610

9 Subsequent Events

There were no material events subsequent to the end of the current quarter ended 30 June 2016 that have not been reflected in this quarterly report as at the date of this report.

10 Changes in the composition of the Group

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

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 30 JUNE 2016

11 Contingent liabilities

The Group did not have any material contingent liability as at 18 August 2016 (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 commitment as at 18 August 2016 (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-16 RM'000
Management fees receivable	<u>75</u>

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

	As at 30-Jun-16 RM'000
Rental receivable	<u>40</u>

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30 JUNE 2016

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 RM1.641 million and a pre-tax profit of RM0.545 million for the financial period ended 30 June 2016 against the preceding year's corresponding period turnover of RM2.777 million and a pre-tax profit of RM1.203 million.

The gaming operations in Cambodia continue to contribute positively with a revenue of RM0.106 million and a pre-tax profit of RM0.070 million.

Our associated company contributed to a share of profit of RM0.405 million against a share of profit of RM0.104 million in the preceding year's corresponding period. The preceding year's result was affected by the devastating earthquake in Nepal.

The manufacturing division registered a revenue of RM1.076 million and a pre-tax profit of RM0.260 million against a revenue of RM1.003 million and a pre-tax profit of RM0.046 million in the preceding year's corresponding period. In addition to an improved revenue in 2016, the higher profit was partly attributable to a gain on disposal of a motor vehicle of RM70,000.

As expected, the consumer financing business continue to record a lower profit with a declining revenue of RM0.037 million and a pre-tax profit of RM0.420 million due to a declining loan base as the Company had ceased this business.

The hotel operation in Laos remained loss-making, with a revenue of RM0.332 million (USD0.084 million) and a pre-tax loss of RM0.149 million (USD0.038 million), as compared to a revenue of RM0.338 million (USD0.090 million) and a pre-tax loss of RM0.143 million (USD0.038 million) in the preceding year's corresponding period.

Despite its loss position, the cash flow of the hotel remained positive as its loss was mainly due to its depreciation charge.

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

For the 1st quarter ended 30 June 2016, the Group achieved a turnover of RM1.641 million and generated a pre-tax profit of RM0.545 million as compared to a revenue of RM1.565 million and pre-tax profit of RM0.186 million in the preceding quarter ended 31 March 2016.

The improved pre-tax profit in the current quarter was mainly attributable to the following factors :

- i) The manufacturing division registered a higher pre-tax profit of RM0.260 million against a pre-tax profit of RM0.125 million in the preceding quarter. The higher profit in the current quarter was partly attributable to a gain on disposal of a motor vehicle of RM70,000, whereas an allowance of obsolete inventories of RM27,000 in the preceding quarter had partly affected its performance.
- ii) Our associate contributed to a share of profit of RM0.405 million against a share of profit of RM0.263 million in the preceding quarter.

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30 JUNE 2016

3 Realised and Unrealised Profits/Losses

	As at 30-Jun-16 RM'000	As at 31-Mar-16 RM'000
Total accumulated losses of the Group :		
Realised	-32,813	-32,487
Unrealised	-427	-427
	<u>-33,240</u>	<u>-32,914</u>
Total accumulated losses from the associate :		
Realised	405	643
	<u>-32,835</u>	<u>-32,271</u>
Consol adjustments	16,478	15,346
Total accumulated losses	<u><u>-16,357</u></u>	<u><u>-16,925</u></u>

4 Prospects

- i) Contribution from the consumer finance business to the earnings of the Group is 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) 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.
- iv) 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.
- v) The electronic gaming outlets in Nepal are expected to contribute positively to the earnings of the Group.
- vi) Moving forward, the Board will remain cautious and be on the look out for any new investment opportunities to further enhance 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-Jun-16 RM'000
<u>Current tax expenses</u>	
Current year	<u><u>8</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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30 JUNE 2016

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 June 2016 are as follows:-

	RM'000
A Short Term Borrowings	
Secured	
Term loan	256
Hire purchase obligation	33
	289
	289
B Long Term Borrowings	
Secured	
Term loan	3,227
Hire purchase obligation	63
	3,290
	3,290

9 Material pending litigation

The Group was not engaged in any material / material pending litigation as at 18 August 2016 (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 June 2016 have been seen and approved by the Board of Directors of Widetech (Malaysia) Berhad on 23 August 2016 for release to the Bursa Securities.

BY ORDER OF THE BOARD

Lim Seck Wah
Tang Chi Hoe (Kevin)
Company Secretaries

Dated this 23rd day of August 2016