

WIDETECH (MALAYSIA) BERHAD
(Company No. 113939-U)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2017

	(Unaudited) As at 31-Mar-17 RM'000	Audited As at 31-Mar-16 RM'000
Fixed assets	11,214	11,054
Trade Debtors	139	582
Deferred Tax Assets	371	427
Current assets		
Inventories	878	686
Receivables ,deposits and prepayments	1,261	3,465
Amount due from Associate	2,622	2,078
Current Tax Assets	65	35
Cash and cash equivalents	21,729	19,164
	26,555	25,428
Current liabilities		
Payables and accruals	1,518	2,895
Bank borrowings	340	256
Provision for taxation	-	5
	1,858	3,156
Net current assets	24,697	22,272
	36,421	34,335
Equity		
Share capital	44,753	44,753
Reserves	-10,905	-13,451
Equity attributable to Equity Holders of the Company	33,848	31,302
Non-controlling interest	-485	-258
	33,363	31,044
Long Term and Deferred Liabilities		
Bank borrowings	3,058	3,291
	36,421	34,335
Net assets per share attributable to Equity Holders of the Company (RM)	0.76	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 31 MARCH 2017
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-Mar-17 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Mar-16 RM'000	CURRENT YEAR TODATE 31-Mar-17 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-16 RM'000
1 a Revenue	1,411	1,565	6,630	7,614
b Cost of Sales	(941)	(825)	(2,913)	(2,899)
c Other Operating Expenses	(1,048)	(1,575)	(4,224)	(4,796)
d Other Operating Income	214	827	671	1,244
e (Loss)/Profit from Operations	(364)	(8)	164	1,163
f Finance Costs	(45)	(69)	(193)	(213)
g Share of profit on Associate	277	263	941	643
h (Loss)/Profit before Taxation	(132)	186	912	1,593
i Taxation	4	1	(56)	(4)
j (Loss)/Profit after Taxation	(128)	187	856	1,589
Attributable to:				
k Equity Holders of the Company	(74)	220	980	1,079
l Non-Controlling Interest	(54)	(33)	(124)	510
m (Loss)/Profit after Taxation	(128)	187	856	1,589
2 Earnings per share (EPS) attributable to Equity Holders of the Company (sen):				
a Basic EPS	(0.16)	0.49	2.19	2.41
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 31 MARCH 2017
(The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-Mar-17 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Mar-16 RM'000	CURRENT YEAR TODATE 31-Mar-17 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Mar-16 RM'000
3 a (Loss)/Profit after Taxation	(128)	187	856	1,589
b Other Comprehensive Income : Currency translation differences of foreign subsidiaries	(167)	(1,275)	1,463	1,041
Total Comprehensive (Loss)/ Income	(295)	(1,088)	2,319	2,630
Attributable to :				
c Equity Holders of the Company	(250)	(1,127)	2,546	2,156
d Non-controlling Interest	(45)	39	(227)	474
Total Comprehensive (Loss)/ Income	(295)	(1,088)	2,319	2,630

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 31 MARCH 2017
(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 2016	44,753	132	3,342	(16,925)	31,302	(258)	31,044
Total Comprehensive Income for the period	-	-	1,566	980	2,546	(227)	2,319
At 31 March 2017	44,753	132	4,908	(15,945)	33,848	(485)	33,363
At 1 April 2015	44,753	132	2,265	(18,004)	29,146	(151)	28,995
Total Comprehensive Income for the period	-	-	1,077	1,079	2,156	474	2,630
Distributions paid to Non Controlling Interest	-	-	-	-	-	(581)	(581)
At 31 March 2016	44,753	132	3,342	(16,925)	31,302	(258)	31,044

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 31 MARCH 2017
(The figures have not been audited)

	CURRENT YEAR TODATE 31-Mar-17 RM'000	PRECEDING YEAR 31-Mar-16 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Taxation	912	1,593
Adjustments for:		
Allowance for obsolete inventories	9	27
Bad debts written off	133	566
Depreciation and amortisation	1,034	955
Fair value adjustment on trade receivables recognised in profit or loss	(48)	(58)
Interest income	(623)	(519)
Interest expenses	193	213
Gain on disposal of PPE	(72)	(6)
Reversal of impairment loss	-	(566)
Unrealised gain on foreign exchange	20	30
Share of result of associate	(941)	(643)
Operating profit before working capital changes	<u>617</u>	<u>1,592</u>
Changes in Inventories	(201)	92
Changes in receivables, deposits and prepayments	3,748	1,288
Changes in amount due from associate	397	1,030
Changes in payables and accruals	(1,377)	(768)
Cash generated from operating activities	<u>3,184</u>	<u>3,234</u>
Tax refund/(paid)	(36)	29
Net cash generated from operating activities	<u>3,148</u>	<u>3,263</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(795)	(98)
Proceeds from Disposal of PPE	86	6
Interest income	623	519
Net cash used in investing activities	<u>(87)</u>	<u>427</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution to Non Controlling Interests	-	(581)
Bank borrowings	(304)	(266)
Interest paid	(192)	(213)
Net cash used in financing activities	<u>(496)</u>	<u>(1,060)</u>
Net increase in cash and cash equivalents	2,565	2,630
Cash and cash equivalents at beginning of year	19,164	16,534
Cash and cash equivalents at end of financial period	<u>21,729</u>	<u>19,165</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-Mar-17 RM'000	31-Mar-16 RM'000
Deposit with licensed banks and financial institutions	18,946	15,414
Cash and bank balances	2,783	3,750
	<u>21,729</u>	<u>19,164</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
31 MARCH 2017

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>MFSR 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 year 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 year under review.

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31 MARCH 2017

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 year under review.

7 Dividend Paid

No dividend has been paid for the financial year 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 31 March 2017							
Revenue from external customers	4,276	104	298	1,592	360	-	6,630
Inter-segment revenue	-	170	-	-	300	(470)	-
Total Revenue	4,276	274	298	1,592	660	(470)	6,630
Segment Result	97	(85)	83	(329)	2,499	(2,724)	(459)
Interest income							623
Finance costs							(193)
Share of Profit on Associate							941
Profit before Tax							912
Segment Assets	2,589	703	3,651	2,843	9,111		18,897
Unallocated assets							19,382
							38,279
Segment Liabilities	250	184	266	323	495		1,518
Unallocated liabilities							3,398
							4,916

9 Subsequent Events

There were no material events subsequent to the end of the current quarter ended 31 March 2017 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 year under review.

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 31 MARCH 2017

11 Contingent liabilities

The Group did not have any material contingent liability as at 26 May 2017 (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 26 May 2017 (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-Mar-17 RM'000
Management fees receivable	300

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

	As at 31-Mar-17 RM'000
Rental receivable	159

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31 MARCH 2017

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 RM6.630 million and a pre-tax profit of RM0.912 million for the financial year ended 31 March 2017 against the preceding year's turnover of RM7.614 million and a pre-tax profit of RM1.593 million.

The gaming operations in Cambodia continue to contribute positively with a revenue of RM0.298 million and a pre-tax profit of RM0.165 million.

Our associated company contributed to a share of profit of RM0.941 million against a share of profit of RM0.643 million in the preceding year. The preceding year's result was affected by the devastating earthquake in Nepal.

The manufacturing division registered an improved revenue of RM4.276 million and a pre-tax profit of RM0.500 million against a revenue of RM4.041 million and a pre-tax profit of RM0.230 million in the preceding year.

In addition to an improved revenue and profit margin in 2016, the higher profit was partly attributable to a gain on disposal of motor vehicles of approximately RM73,000.

As expected, the consumer financing business continue to record a lower profit with a declining revenue of RM0.104 million and a pre-tax profit of RM0.154 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 RM1.592 million (USD0.382 million) and a pre-tax loss of RM0.339 million (USD0.081 million), as compared to a revenue of RM1.407 million (USD0.370 million) and a pre-tax loss of RM0.396 million (USD0.104 million) in the preceding year.

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

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

For the 4th quarter ended 31 March 2017, the Group achieved a turnover of RM1,411million and generated a pre-tax loss of RM0.132 million as compared to a revenue of RM2.036 million and pre-tax profit of RM0.187 million in the preceding quarter ended 31 December 2016.

The lower pre-tax profit in the current quarter was mainly attributable to the manufacturing division registering a lower revenue of RM0.858 million and a pre-tax loss of RM0.212 million, as compared to a revenue of RM1.325 million and a pre-tax profit of RM0.277 million in the preceding quarter. Sales order from its major customer are lower in this quarter, as compared to the preceding quarter. Furthermore, there was a provision made on obsolete stock of RM9,000 and an additional RM51,500 incurred on upgrading work of the manufacturing plant in the current quarter.

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3 Realised and Unrealised Profits/Losses

	As at 31-Mar-17 RM'000	As at 31-Mar-16 RM'000
Total accumulated losses of the Group :		
Realised	(31,113)	(32,487)
Unrealised	(323)	(427)
	<u>(31,436)</u>	<u>(32,914)</u>
Total accumulated losses from the associate :		
Realised	941	643
	<u>(30,495)</u>	<u>(32,271)</u>
Consol adjustments	14,551	15,346
Total accumulated losses	<u>(15,945)</u>	<u>(16,925)</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 31-Mar-17 RM'000
<u>Current tax</u>	
Current year	-
<u>Deferred Tax</u>	
Current year	52
(Over)/Under provision in prior years	4
Total deferred tax	<u>56</u>
Total tax expense recognised	<u>56</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 year under review.

8 Group Borrowings and Debt Securities

The Group borrowings and debt securities as at 31 March 2017 are as follows

	RM'000
A Short Term Borrowings	
Secured	
Term loan	288
Hire purchase obligation	51
	339
	339
B Long Term Borrowings	
Secured	
Term loan	2,989
Hire purchase obligation	70
	3,059
	3,059

9 Material pending litigation

The Group was not engaged in any material / material pending litigation as at 26 May 2017 (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 March 2017 have been seen and approved by the Board of Directors of Widetech (Malaysia) Berhad on 30 March 2017 for release to the Bursa Securities.

BY ORDER OF THE BOARD

Lim Seck Wah
Tang Chi Hoe (Kevin)
Company Secretaries

Dated this 30th day of May 2017