

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

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017
 (The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Sep-17 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Sep-16 RM'000	CURRENT YEAR TODATE 30-Sep-17 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Sep-16 RM'000
1 a Revenue	1,852	1,542	3,600	3,183
b Cost of Sales	(798)	(610)	(1,667)	(1,297)
c Other Operating Expenses	(1,058)	(1,011)	(2,110)	(1,935)
d Other Operating Income	143	157	330	308
e Profit from Operations	<u>139</u>	<u>78</u>	<u>153</u>	<u>259</u>
f Finance Costs	(46)	(58)	(89)	(99)
g Share of profit on Associate	556	292	894	697
h Profit before Taxation	<u>649</u>	<u>312</u>	<u>958</u>	<u>857</u>
i Taxation	(24)	(8)	(24)	(15)
j Profit after Taxation	<u>625</u>	<u>304</u>	<u>934</u>	<u>842</u>
Attributable to:				
k Equity Holders of the Company	668	331	1,007	900
l Non-Controlling Interest	(43)	(27)	(73)	(58)
m Profit after Taxation	<u>625</u>	<u>304</u>	<u>934</u>	<u>842</u>
2	Earnings per share (EPS) attributable to Equity Holders of the Company (sen):			
a Basic EPS	<u>1.49</u>	<u>0.74</u>	<u>2.25</u>	<u>2.01</u>
b Diluted EPS	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

The above Consolidated Income Statement should be read in conjunction
 with the accompanying explanatory notes attached with the interim financial reports

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017
 (The figures have not been audited)

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-Sep-17 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Sep-16 RM'000	CURRENT YEAR TODATE 30-Sep-17 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Sep-16 RM'000
3 a Profit after Taxation	625	304	934	842
b Other Comprehensive (Loss)/Income : Currency translation differences of foreign subsidiaries	(166)	285	(483)	696
Total Comprehensive Income	459	589	451	1,538
Attributable to :				
c Equity Holders of the Company	485	635	478	1,640
d Non-controlling Interest	(26)	(46)	(27)	(102)
Total Comprehensive Income	459	589	451	1,538

The above Consolidated Statement of Comprehensive Income should be read in conjunction
 with the accompanying explanatory notes attached with the interim financial reports

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 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 2017	44,885	-	4,908	(15,956)	33,837	(486)	33,351
Total Comprehensive Loss for the period	-	-	(529)	1,007	478	(27)	451
At 30 September 2017	44,885	-	4,379	(14,949)	34,315	(513)	33,802
At 1 April 2016	44,753	132	3,342	(16,925)	31,302	(258)	31,044
Total Comprehensive Income for the period	-	-	740	900	1,640	(102)	1,538
At 30 September 2016	44,753	132	4,082	(16,025)	32,942	(360)	32,582

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction
with the accompanying explanatory notes attached with the interim financial reports

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

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2017
(The figures have not been audited)

	CURRENT YEAR TODATE 30-Sep-17 RM'000	PRECEDING YEAR 30-Sep-16 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Taxation	958	857
Adjustments for:		
Depreciation and amortisation	579	488
Interest income	(310)	(212)
Interest expenses	89	99
Gain on disposal of PPE	-0	(70)
Share of result of associate	(894)	(697)
Operating profit before working capital changes	422	465
Changes in Inventories	(106)	(348)
Changes in receivables, deposits and prepayments	(566)	1,269
Changes in amount due from associate	1,014	962
Changes in payables and accruals	11	170
Cash generated from operating activities	775	2,518
Tax refund/(paid)	(44)	(13)
Net cash generated from operating activities	731	2,505
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(384)	(530)
Proceeds from Disposal of PPE	1	70
Interest income	310	212
Net cash used in investing activities	(73)	(248)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	(167)	(142)
Interest paid	(90)	(99)
Net cash used in financing activities	(257)	(241)
Net increase in cash and cash equivalents	402	2,016
Cash and cash equivalents at beginning of year	21,729	19,164
Cash and cash equivalents at end of financial period	22,131	21,180

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-17 RM'000	30-Sep-16 RM'000
Deposit with licensed banks and financial institutions	19,403	17,036
Cash and bank balances	2,727	4,144
	22,130	21,180

The above Condensed Consolidated Cash Flow Statement should be read in conjunction with the accompanying explanatory notes attached with the interim financial reports

WIDETECH (MALAYSIA) BERHAD
 (Company No. 113939-U)
 (Incorporated in Malaysia)
 AND ITS SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2017

	(Unaudited) As at 30-Sep-17 RM'000	Audited As at 31-Mar-17 RM'000
Fixed assets	10,937	11,214
Deferred Tax Assets	359	359
Current assets		
Inventories	985	878
Receivables, deposits and prepayments	1,613	1,449
Amount due from Associate	2,503	2,622
Current Tax Assets	84	65
Cash and cash equivalents	22,130	21,729
	27,315	26,743
Current liabilities		
Payables and accruals	1,578	1,567
Bank borrowings	340	339
Provision for taxation	-	-
	1,917	1,906
Net current assets	25,397	24,837
	36,693	36,410
Equity		
Share capital	44,885	44,886
Reserves	-10,570	-11,048
Equity attributable to Equity Holders of the Company	34,315	33,838
Non-controlling interest	-513	-486
	33,802	33,352
Long Term and Deferred Liabilities		
Bank borrowings	2,891	3,058
	36,693	36,410
Net assets per share attributable to Equity Holders of the Company (RM)	0.76	0.75

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached with the interim financial reports

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

NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 SEPTEMBER 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 2017.

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 2017, 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>MFRSs, Amendments to MFRSs and IC Interpretation</u>	<u>Effective Date</u>
Amendments to MFRS 107 Statement of Cash Flows: Disclosure initiative	1 January 2017
Amendments to MFRS 112 Income Taxes: Recognition of Deferred Tax Assets for Unrealised Loss	1 January 2017
Amendments to MFRS 12 Disclosure of Interests in Other Entities	1 January 2017
MFRS 9: Financial Instruments (IFRS 9 Issued by IASB in July 2014)	1 January 2018
Amendments to MFRS 140 Investment Property : Transfers of Investment Property	1 January 2018
IC Interpretation 22 Foreign Currency: Transactions and Advance Consideration	1 January 2018
MFRS 15: Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019

The initial adoption of the above standards, amendments and interpretation are 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 2017 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.

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

NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 SEPTEMBER 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 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 September 2017							
Revenue from external customers	2,455	31	261	673	180	-	3,600
Inter-segment revenue	-	48	-	-	150	(198)	-
Total Revenue	2,455	79	261	673	330	(198)	3,600
Segment Result	58	(38)	251	(292)	(1,024)	888	(157)
Interest income							310
Finance costs							(89)
Share of Profit on Associate							894
Profit before Tax							958
Segment Assets	3,265	479	3,758	2,358	8,905		18,765
Unallocated assets							19,846
							38,611
Segment Liabilities	374	193	251	319	440		1,577
Unallocated liabilities							3,231
							4,808

9 Subsequent Events

There were no material events subsequent to the end of the current quarter ended 30 September 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 period under review.

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

NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
 30 SEPTEMBER 2017

11 Contingent liabilities

The Group did not have any material contingent liability as at 17 November 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 17 November 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 30-Sep-17 RM'000
Management fees receivable	<u>150</u>

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

	As at 30-Sep-17 RM'000
Rental receivable	<u>79</u>

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

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

	3 months quarter		Changes		Cumulative Period		Changes	
	30/09/17 RM'000	30/09/16 RM'000	Amount RM'000	%	30/09/17 RM'000	30/09/16 RM'000	Amount RM'000	%
Revenue	1,852	1,542	310	20%	3,600	3,183	417	13%
Operating Profit	139	78	62	80%	153	259	(106)	-41%
Profit before Interest, Share of Profit on Associate and Tax	139	78	62	80%	153	259	(106)	-41%
Profit before Tax	649	312	337	108%	958	857	101	12%
Profit After Tax	625	304	322	106%	934	842	92	11%
Profit attributable to Equity Holders of the Parent	668	331	337	102%	1,007	900	107	12%

The Group recorded a turnover of RM3.600 million and a pre-tax profit of RM0.958 million for the financial period ended 30 September 2017 against the preceding year's corresponding period turnover of RM3.183 million and a pre-tax profit of RM0.857 million.

The gaming operations in Cambodia continue to contribute positively with a revenue of RM0.261 million and a pre-tax profit of RM0.191 million.

Our associated company contributed to a share of profit of RM0.894 million against a share of profit of RM0.697 million in the preceding year's corresponding period.

The manufacturing division registered an improved revenue of RM2.455 million and a lower pre-tax profit of RM0.255 million against a revenue of RM2.093 million and a pre-tax profit of RM0.435 million in the preceding year's corresponding period. In addition to higher operating costs arising from new purchase of machinery and increased manpower, the profit margin of this division was lower in 2017 due to higher raw material costs arising from the weakening of the ringgit. The preceding year's pre-tax profit was also partly attributable to a gain on disposal of a motor vehicle of approximately RM70,000.

The consumer financing business recorded revenue of RM0.031 million and a pre-tax profit of RM0.093 million, as opposed to revenue of 0.062 million and a pre-tax profit of RM0.074 million in the preceding year's corresponding period. The loan base of this division is declining as the Company had ceased this business. The improved profit was mainly due to interest income generated from short term fund placements with financial institutions.

The hotel operation in Laos remained loss-making, with a revenue of RM0.673 million (USD0.156 million) and a pre-tax loss of RM0.295 million (USD0.068 million), as compared to a revenue of RM0.670 million (USD0.167 million) and a pre-tax loss of RM0.262 million (USD0.065 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 charges.

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

NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 SEPTEMBER 2017

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

	Current Quarter	Immediate Preceding Quarter	Changes	
	30/09/17 RM'000	30/06/17 RM'000	Amount RM'000	%
Revenue	1,852	1,748	105	6%
Operating Profit	139	14	125	-862%
Profit before Interest, Share of Profit on Associate and Tax	139	14	125	-862%
Profit before Tax	649	309	339	-110%
Profit After Tax	625	309	316	-102%
Profit attributable to Equity Holders of the Parent	668	339	329	-97%

For the 2nd quarter ended 30 September 2017, the Group achieved a turnover of RM1.852 million and generated a pre-tax profit of RM0.649 million as compared to a revenue of RM1.748 million and pre-tax loss of RM0.309 million in the preceding quarter ended 30 June 2017.

The manufacturing division achieved a higher revenue of RM1.265 million in the current quarter, as opposed to RM1.190 million in the preceding quarter. The improved pre-tax profit was mainly attributable to the share of profit on associate, whereby its contribution increased by RM0.263 million to RM0.555 million in the current quarter.

3 Realised and Unrealised Profits/Losses

	As at 30-Sep-17 RM'000	As at 31-Mar-17 RM'000
Total accumulated losses of the Group :		
Realised	(31,938)	(31,069)
Unrealised	(359)	(379)
	<u>(32,297)</u>	<u>(31,448)</u>
Total accumulated losses from the associate :		
Realised	(5,900)	(6,795)
	<u>(38,197)</u>	<u>(38,243)</u>
Consol adjustments	23,248	22,287
Total accumulated losses	<u>(14,949)</u>	<u>(15,956)</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.

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

NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 SEPTEMBER 2017

5 Variance of Actual Profit from Forecast Profit

Not Applicable as no profit forecast was published.

6 Taxation

	As at 30-Sep-17 RM'000	As at 30-Sep-16 RM'000
<u>Current tax</u>		
Current year	24	15

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.

8 Group Borrowings and Debt Securities

The Group borrowings and debt securities as at 30 September 2017 are as follows

	As at 30-Sep-17 RM'000	As at 30-Sep-16 RM'000
A Short Term Borrowings		
Secured		
Term loan	288	256
Hire purchase obligation	52	33
	340	289
B Long Term Borrowings		
Secured		
Term loan	2,847	3,160
Hire purchase obligation	44	55
	2,891	3,215
Total Borrowings	3,231	3,504

9 Material pending litigation

The Group was not engaged in any material / material pending litigation as at 17 November 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 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

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

NOTES TO THE QUARTERLY REPORT FOR THE FINANCIAL QUARTER ENDED
30 SEPTEMBER 2017

12 Authorisation

This Quarterly Results for the financial period ended 30 September 2017 have been seen and approved by the Board of Directors of Widetech (Malaysia) Berhad on 21 November 2017 for release to the Bursa Securities.

BY ORDER OF THE BOARD

Lim Seck Wah
Tang Chi Hoe (Kevin)
Company Secretaries

Dated this 21st day of November 2017