



**WINTECH GROUP LIMITED**

ABN 36 003 087 689

## Appendix 4D Interim Financial Report

for the half-year ended  
31 December 2008

To be read in conjunction with the 31 June 2008 Annual Report  
In compliance with Listing Rule 4.2A

# WINTech GROUP LIMITED

ABN 36 003 087 689

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

Current Reporting Period: Half-year ended 31 December 2008

Previous Reporting Period: Half-year ended 31 December 2007

<b>Results to be announced to the market</b>		<b>A\$'000</b>
Revenue from ordinary activities	-	-
(Loss)/Gain after tax attributable to members	Up 6.8% to	<b>(448,477)</b>
Net (Loss)/Gain for the half-year attributable to members	Up 6.8%	<b>(448,477)</b>

### Dividends

It is not proposed to pay a dividend

<b>Other Information</b>	<b>31 December 2008</b>	<b>31 December 2007</b>
Net Tangible Assets per ordinary share	<b>(0.0477)</b>	(0.022)

*Refer to the Directors' Report – Review of Operations for an explanation of the above information.*

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## WINTECH GROUP LIMITED

ABN 36 003 087 689

### COMPANY PARTICULARS

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#### DIRECTORS

Mr Kim Wong (Executive Director)  
Mr Yong Hua Tay (Non Exec. Director)  
Mr David Yap (Non Exec. Director)  
Mr Wei Li (Non Exec. Director)

#### REGISTERED OFFICE

Wintech Group Ltd  
318 Albert Street  
East Melbourne Vic 3002  
Telephone: (61) 3 9417 6525  
Facsimile: (61) 3 9417 4950

#### COMPANY SECRETARY

Mr Phillip Hains

#### PRINCIPAL OFFICE

Wintech Group Ltd  
318 Albert Street  
East Melbourne Vic 3002  
Australia  
Telephone: (61) 3 9417 6525  
Facsimile: (61) 3 9417 4950

#### AUDITORS

Webb Audit Pty Ltd  
Cnr Toorak & Auburn Roads  
Hawthorn East Vic 3123

#### SOLICITORS

Oakley Thompson & Co  
Level 17, 500 Collins Street  
Melbourne Vic 3000

#### BANKERS

National Australia Bank  
221 Drummond Street  
Carlton VIC 3503

#### SHARE REGISTRY

Registries Limited  
Level 2, 28 Margaret Street  
Sydney NSW 2000

#### STOCK EXCHANGE LISTING

Wintech Group Limited shares are listed on  
the Australian Stock Exchange Limited  
ASX Code: WTG

# WINTech GROUP LIMITED

ABN 36 003 087 689

## DIRECTORS' REPORT

The Directors present their report together with the consolidated financial report for the half-year ended 31 December 2008, and the review report thereon.

### DIRECTORS

The names of Directors in office at any time during or since the end of the half-year are:

**Kim Wong** – Executive Director  
**Yong Hua Tay**  
**David Yap**  
**Wei Li**

### REVIEW OF OPERATIONS

The loss of the consolidated entity for the half-year ended 31 December 2008, after income tax amounted to \$448,477 (2007: \$420,008). The objective of WinTech Group Limited ("WinTech") is to become a leader in the importation and wholesale distribution of computers, computer parts and accessories. In seeking to meet this objective, Wintech has negotiated the acquisition of Magnafield Technology Distribution Pty Ltd ("Magnafield"), whereupon Magnafield will become a wholly owned subsidiary of Wintech.

### LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The Lead Auditor's Independence Declaration under section 307C of the Corporations Act 2001 is set out on page 4 for the half-year ended 31 December 2008.

This report is signed in accordance with a resolution of the Board of Directors:



**Kim Wong**  
Executive Director

Dated in Melbourne, Australia on this 28<sup>th</sup> day of February 2009

28 February 2009

The Board of Directors  
Wintech Group Limited  
318 Albert Road  
EAST MELBOURNE VIC 3002

Dear Board Members

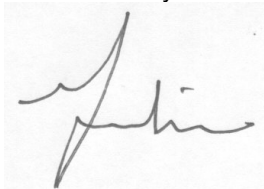
**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF WINTECH GROUP LIMITED**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Wintech Group Limited.

As lead audit partner for the review of the financial report of Wintech Group Limited for the half-year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporation Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



**Jeffrey Luckins**  
Director  
Webb Audit Pty Ltd

Dated in Melbourne, Australia on this 28<sup>th</sup> day of February 2009

# WINTech GROUP LIMITED

ABN 36 003 087 689

## CONSOLIDATED INCOME STATEMENT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Note	Economic Entity	
		31 December	
		2008	2007
		\$	\$
Revenue from rendering of services		-	-
Other revenues from ordinary activities		-	-
<b>Total revenue</b>		<u>-</u>	<u>-</u>
Administration		(129,664)	(182,098)
Corporate		(251,185)	(209,379)
Finance		(11,812)	(8,909)
Occupancy		(36,300)	(19,622)
Other		(19,516)	-
<b>Profit / (loss) before income tax expense</b>		<u>(448,477)</u>	<u>(420,008)</u>
Income tax expense		-	-
<b>Profit / (loss) after income tax expense</b>		<u>(448,477)</u>	<u>(420,008)</u>
<b>Profit / (loss) attributable to the members of Wintech Group Limited</b>		<u>(448,477)</u>	<u>(420,008)</u>
<b>Overall Operations</b>			
Basic earnings/(loss) per share		(\$0.0191)	(\$0.0003)
Diluted earnings/(loss) per share		(\$0.0191)	(\$0.0003)

*The consolidated income statement is to be read in conjunction with the notes to the financial statements.*

**WINTECH GROUP LIMITED**

ABN 36 003 087 689

**CONSOLIDATED BALANCE SHEET**

AS AT 31 DECEMBER 2008

**Economic Entity**

	Note	31 December 2008 \$	30 June 2008 \$
<b>Current Assets</b>			
Cash and cash equivalents		211	6,072
Trade and other receivables		4,828	19,802
<b>Total Current Assets</b>		<b>5,039</b>	<b>25,874</b>
<b>Non-Current Assets</b>			
Trade and Other Receivables		298,750	298,750
Financial assets		300,000	300,000
<b>Total Non-Current Assets</b>		<b>598,750</b>	<b>598,750</b>
<b>Total Assets</b>		<b>603,789</b>	<b>624,624</b>
<b>Current Liabilities</b>			
Trade and other payables		535,559	502,068
Short-term borrowings		150,000	150,000
<b>Total Current Liabilities</b>		<b>685,559</b>	<b>652,068</b>
<b>Non-Current Liabilities</b>			
Long-term borrowings		736,786	342,635
<b>Total Non-Current Liabilities</b>		<b>736,786</b>	<b>342,635</b>
<b>Total Liabilities</b>		<b>1,422,345</b>	<b>994,703</b>
<b>Net Assets/(Deficiency)</b>		<b>(818,556)</b>	<b>(370,079)</b>
<b>Equity</b>			
Issued capital	2	72,893,878	72,893,878
Reserves	3	227,481	227,481
Accumulated losses		(73,939,915)	(73,491,438)
<b>Total Equity/(Deficiency)</b>		<b>(818,556)</b>	<b>(370,079)</b>

*The consolidated balance sheet is to be read in conjunction with the notes to the financial statements.*

**WINTECH GROUP LIMITED**

ABN 36 003 087 689

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	\$	\$	\$	\$
	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Total
<b>Balance at 1 July 2007</b>	71,858,878	(72,568,779)	302,966	(406,935)
Loss for the half-year	-	(420,008)	-	(420,008)
Issue of shares – Convertible Notes	-	-	-	-
Issue of shares – New Issues	515,000	-	-	515,000
<b>Balance at 31 December 2007</b>	<u>72,373,878</u>	<u>(72,988,787)</u>	<u>302,966</u>	<u>(311,943)</u>
<b>Balance at 1 July 2008</b>	72,893,878	(73,491,438)	227,481	(370,079)
Loss for the half-year	-	(448,477)	-	(448,477)
Issue of shares – Convertible Notes	-	-	-	-
Issue of shares – New Issues	-	-	-	-
<b>Balance at 31 December 2008</b>	<u>72,893,878</u>	<u>(73,939,915)</u>	<u>227,481</u>	<u>(818,556)</u>

*The consolidated statement of changes in equity is to be read in conjunction with the notes to the financial statements.*



**WINTech GROUP LIMITED**

ABN 36 003 087 689

**CONSOLIDATED CASH FLOW STATEMENT**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Note	Economic Entity	
		31 December	
		2008	2007
		\$	\$
<b>Cash flow from operating activities</b>			
Receipts from customers			-
Payments to suppliers and employees		(400,012)	(367,254)
<b>Net cash provided by (used in) operating activities</b>		<u>(400,012)</u>	<u>(367,254)</u>
<b>Cash flow from investing activities</b>			
Repayment of loan from related entities		-	125,000
Deposit on investment		-	-
<b>Net cash provided by (used in) investing activities</b>		<u>-</u>	<u>125,000</u>
<b>Cash flow from financing activities</b>			
Proceeds from issue of ordinary shares		-	515,000
Proceeds from issue of convertible notes		-	-
Proceeds from borrowings		394,151	-
Repayments of borrowings		-	(304,284)
<b>Net cash provided by (used in) financing activities</b>		<u>394,151</u>	<u>210,716</u>
<b>Net increase/(decrease) in cash held</b>		<b>(5,861)</b>	<b>(31,538)</b>
<b>Cash at the beginning of the half-year</b>		<b>6,072</b>	<b>78,638</b>
<b>Cash at end of the half-year</b>		<b><u>211</u></b>	<b><u>47,100</u></b>

*The consolidated cash flow statement is to be read in conjunction with the notes to the financial statements.*

# WINTECH GROUP LIMITED

ABN 36 003 087 689

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

### 1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL REPORT

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the half-year ended 31 December 2008 and any public announcements made by Wintech Group Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the June 2008 financial report.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

#### *Reporting Basis and Conventions*

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

### 2. GOING CONCERN BASIS

The financial statements have been prepared on a going concern basis notwithstanding that for the half-year ended 31 December 2008 the consolidated entity incurred an operating loss of \$448,477 and liabilities exceeded assets by \$818,556.

As a result of the losses incurred over past years, the directors have taken the following steps:

- Ceased operations in a number of businesses and countries since 30 June 2001;
- Sold the consolidated entity's structured cabling and network infrastructure design business and used the proceeds of sale to repay outstanding debt in the 2002 financial year;
- Placed a controlled entity, Circle InfoCom (S) Pte Ltd into administration on 20 August 2001;
- Reduced overheads of the Group; and
- Raised additional funding of \$2,530,890 (before costs) pursuant to a Rights Issue and Placement Offer. These funds are expected to be authorised for release shortly.

The ability of the Group to continue as a going concern is dependent upon the following matter:

- The consolidated entity has payables of \$535,559, much of which is outside normal trading terms and may require supportive arrangements with creditors until the capital raised is authorised for release.

# WINTECH GROUP LIMITED

ABN 36 003 087 689

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

3. ISSUED CAPITAL	31 December 2008 \$	30 June 2008 \$
<b>Issued and paid up capital</b>		
23,434,860 (30 June 2008: 23,434,860) ordinary shares, fully paid	<u>72,893,878</u>	<u>72,893,878</u>

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

In the event of winding up of the company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of administration.

4. RESERVES	31 December 2008 \$	30 June 2008 \$
<b>Foreign currency translation reserve</b>		
Opening balance	227,481	227,481
Reserve arising on translation of foreign subsidiaries	<u>-</u>	<u>-</u>
<b>Closing balance</b>	<u>227,481</u>	<u>227,481</u>

### 5. DIVIDENDS PAID OR PROVIDED FOR

No dividends have been paid or provided for during the half-year.

### 6. SHARE OPTIONS

No options were exercised during the half-year, and no options expired unexercised during the half-year.

### 7. SEGMENT REPORTING

The consolidated entity was non-trading at report date.

# WINTECH GROUP LIMITED

ABN 36 003 087 689

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

### 8. ACQUISITION OR DISPOSAL OF CONTROLLED ENTITIES

The consolidated entity did not gain or lose control over any entities during the half-year or during the prior corresponding half-year period.

### 9. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual financial report.

### 9. EVENTS SUBSEQUENT TO BALANCE DATE

Wintech Group issues a (replacement) prospectus on 19 January 2009 to conduct a Rights Issue, Placement Offer and Specific Offers. The prospectus closed on Friday 13 February 2009.

After placement of the shortfall, the total of \$2,530,890 (before costs) has been received. The total includes oversubscriptions for 154,453 shares (\$30,891) received and accepted pursuant to the Placement Offer.

The Company expects these funds to be authorised for release and reinstatement of its ordinary shares to official quotation by the ASX in the immediate future.

# WINTech GROUP LIMITED

ABN 36 003 087 689

## DIRECTORS' DECLARATION

In the opinion of the Directors of Wintech Group Limited (the "company"):

1. The financial statements and notes set out on pages 5 to 11 are in accordance with the Corporations Act 2001, including:
  - (a) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
  - (b) giving a true and fair view of the financial position of the economic entity as at 31 December 2008 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date; and
2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, having regard to the matters outlined in Note 2.

Signed in accordance with a resolution of the directors:



**Kim Wong**  
Executive Director

Dated in Melbourne, Australia on this 28<sup>th</sup> day of February 2009

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
WINTECH GROUP LIMITED**

ABN 36 003 087 689

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Wintech Group Limited and the entities it controlled during the period, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

*Director's Responsibility for the Interim Financial Report*

The directors of the consolidate entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us to believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Wintech Group Limited and Controlled Entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF

### WINTECH GROUP LIMITED

ABN 36 003 087 689

(Continued)

#### Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided by the director's to Wintech Group Limited on 27 day of February 2009, would be in the same terms if provided to the directors as at the date of this auditor's review report.

#### Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Wintech Group Limited and controlled entities is not in accordance with:

- a. the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
  - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
- b. other mandatory financial reporting requirements in Australia.

#### Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 2 to the financial statements on page 9, there is significant uncertainty whether the economic entity will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

**Jeffrey Luckins**  
Director  
Webb Audit Pty Ltd

Dated in Melbourne, Australia on this 28<sup>th</sup> day of February 2009

**Webb Audit Pty Ltd**  
ABN 59 116 151 136

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