



WINTech GROUP LIMITED

(Under Deed of Company Arrangement)

ABN 36 003 087 689

**Appendix 4D
Interim Financial Report**

for the half-year ended

31 December 2010

**To be read in conjunction with the 30 June 2010 Annual Report
In Compliance with Listing Rule 4.2A**

WINTech GROUP LIMITED
 (Under Deed of Company Arrangement)
 ABN 36 003 087 689

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Current Reporting Period: Half-year ended 31 December 2010
 Previous Reporting Period: Half-year ended 31 December 2009

Results to be announced to the market			A\$
Revenue from ordinary activities	-		-
Loss after tax attributable to members	Down 97%	to	18,402
Loss for the half-year attributable to members	Down 97%	to	18,402

* The loss from ordinary activities for the period ended 31 December 2009 exclude gain from discontinued operations

Dividends

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

Other Information	31 December 2010	31 December 2009
Net Tangible Assets per ordinary share	(0.000)	(0.0004)

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

WINTECH GROUP LIMITED

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COMPANY PARTICULARS

DIRECTORS

Mr King Chuen Chong (Non Exec Director)

Mr Trevor Kelly (Director)

Mr Jeyabalan Vijayasundram (Non Exec Director)

COMPANY SECRETARY

Mr Trevor Kelly

AUDITORS

William Buck Audit (Vic) Pty Ltd

Level 1, 465 Auburn Road

Hawthorn East Vic 3123

SOLICITORS

Lander & Rogers

Level 12, 600 Bourke Street

Melbourne Vic 3000

SHARE REGISTRY

BoardRoom Pty Ltd

Level 7, 207 Kent Street,

Sydney NSW 2000

REGISTERED OFFICE

WinTech Group Ltd

Suite 304, 22 St Kilda Road

St Kilda Vic 3182

Telephone: (61) 3 9692 7222

Facsimile: (61) 3 9529 8057

PRINCIPAL PLACE OF BUSINESS

Suite 304, 22 St Kilda Road

St Kilda Vic 3182

Telephone: (61) 3 9692 7222

Facsimile: (61) 3 9529 8057

BANKERS

Macquarie Bank

1 Martin Place

Sydney NSW 2000

STOCK EXCHANGE LISTING

WinTech Group Limited shares are listed on the Australian Securities Exchange Limited

ASX Code: WTG

WINTECH GROUP LIMITED

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DIRECTORS' REPORT

The Directors present their report together with the financial statements of Wintech Group Limited (Under Deed of Company Arrangement) (the "Company") for the half-year ended 31 December 2010, and the review report thereon.

DIRECTORS

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

King Chuen Chong – Director (appointed 27 August 2009)
Trevor Kelly – Director (appointed 30 August 2010)
Jeyabalan Vijayasundram – Director (appointed 30 August 2010)
Kim Wong – Executive Director (resigned 28 July 2010)
Yong Hua Tay – Director (resigned 29 July 2010)
David Yap – Director (resigned 29 July 2010)
Maurice Gerken – Chairman (resigned 4 August 2010)

REVIEW OF OPERATIONS

The loss of the entity for the half-year ended 31 December 2010, after income tax amounted to (\$18,402); 2009: loss (\$645,617).

SUBSEQUENT EVENTS

On 12 April 2011 the Company appointed Administrators, who on 26 May 2011, proceeded to enter the Company into a Deed of Company Arrangement ("DOCA") with its creditors. On 30 June 2011 the DOCA was executed with the creditors. The following matters in the DOCA require approval by shareholders at a general meeting.

Under the DOCA the following events are to occur:

- The administrators of the company have negotiated with convertible note holders, with obligations totalling \$1,050,000, and creditors, with obligations totalling in excess of \$1,000,000 to settle their outstanding claims through the issue of 80,000,000 and 50,000,000 ordinary shares respectively; and
- The company raised \$400,000 through a Convertible Loan and Subscription Agreement with ABEnergy Properties Pty Ltd in order to pay out a portion of the creditor balances and to settle expenses arising from the administration of the DOCA.

Furthermore, the Directors of the company are currently in negotiations with a third party to discuss a possible takeover acquisition wholly funded through the issue of equity. These negotiations are in an advanced stage and the Directors are confident that the transaction will take place. As a consequence of this acquisition, the company will be able to access working capital sufficient for it to meet its debts as and when they fall due and payable.

The company acquired Magnafield Technology Distribution Pty Ltd ("MTD") in 2009 which subsequently was placed into administration in July 2009. MTD has been liquidated as at 29 September 2010 through the Supreme Court of Victoria. The corporate relationship between WinTech and MTD specifically excluded a deed of guarantee. As such, the Directors believe that any claims or obligations arising from the liquidation of MTD will not affect the Company.

WINTECH GROUP LIMITED
(Under Deed of Company Arrangement)
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DIRECTORS' REPORT
(Continued)

**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 6 for the half-year ended 31 December 2010.

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


Trevor Kelly
Director

Dated in Sydney, Australia on this 16th day of August 2011

16 August 2011

The Board of Directors
WinTech Group Limited (under Deed of Company Arrangement)
Suite 301, 22 St Kilda Road
ST KILDA VIC 3182

Dear Board Members

**AUDITOR'S INDEPENDENCE DECLARATION
IN ACCORDANCE WITH SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF WINTECH GROUP LIMITED (UNDER DEED OF COMPANY
ARRANGEMENT)**

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 (under Deed of Company Arrangement).

As lead partner for the review of the financial report of WinTech Group Limited (under Deed of Company Arrangement) for the half-year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



H. D. Paton
Director

Dated this 16th day of August, 2011

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

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WINTECH GROUP LIMITED
 (Under Deed of Company Arrangement)
 ABN 36 003 087 689

INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Note	Company	
		<i>31 December</i>	
		2010	2009
		\$	\$
Continuing Operations			
Administration		(18,402)	(112,156)
Corporate		-	(509,878)
Finance		-	(23,583)
		<hr/>	<hr/>
Loss before income tax expense		(18,402)	(645,617)
Income tax expense		-	-
		<hr/>	<hr/>
Loss attributable to members of the Company		(18,402)	(645,617)
Other Comprehensive Income		-	-
		<hr/>	<hr/>
Total Comprehensive Income attributable to members of the Company		(18,402)	(645,617)
		<hr/> <hr/>	<hr/> <hr/>
Earnings per share			
<i>From continuing operations</i>			
Basic loss per share		(\$0.0004)	(\$0.0125)
Diluted loss per share		(\$0.0004)	(\$0.0125)

The accompanying notes form part of these financial statements.

WINTECH GROUP LIMITED
 (Under Deed of Company Arrangement)
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BALANCE SHEET
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Note	Company	
		31 December 2010 \$	30 June 2010 \$
Current Assets			
Cash and cash equivalents		-	1,721
Total Current Assets		-	1,721
Total Assets		-	1,721
Current Liabilities			
Bank Overdraft		-	33,319
Trade and other payables		246,000	246,000
Total Current Liabilities		246,000	279,319
Total Liabilities		246,000	279,319
Net Deficiency of Assets		(246,000)	(277,598)
Equity			
Issued capital		77,305,875	77,305,875
Reserves		2,050,000	2,000,000
Accumulated losses		(79,601,875)	(79,583,473)
Total Deficiency		(246,000)	(277,598)

The accompanying notes form part of these financial statements.

WINTECH GROUP LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	\$	\$	\$	\$
	Issued Capital	Accumulated Losses	Share Based Payment Reserve	Total
Balance at 1 July 2009	77,305,875	(78,149,557)	-	(843,682)
Loss for the half-year	-	(645,617)	-	(645,617)
Balance at 31 December 2009	77,305,875	(78,795,174)	-	(1,489,299)
Balance at 1 July 2010	77,305,875	(79,583,473)	2,000,000	(277,598)
Loss for the half-year	-	(18,402)	-	(18,402)
Settlement of creditors' claims (note 2)	-	-	50,000	50,000
Balance at 31 December 2010	77,305,875	(79,601,875)	2,050,000	(246,000)

The accompanying notes form part of these financial statements.

WINTECH GROUP LIMITED
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CASH FLOW STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Note	Consolidated Group	
		<i>31 December</i>	
		2010	2009
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(18,402)	(706,012)
Finance costs		-	(4,908)
		<u>(18,402)</u>	<u>(710,920)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Cash outflows from loss of control of investee		-	(16,750)
		<u>(18,402)</u>	<u>(16,750)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from the issue of convertible notes		50,000	830,000
Repayments of borrowings		-	(89,081)
		<u>50,000</u>	<u>740,919</u>
Net cash provided by financing activities			
Net increase/(decrease) in cash and cash equivalents held		31,598	13,249
Cash and cash equivalents at the beginning of the half-year		<u>(31,598)</u>	<u>18,349</u>
Cash and cash equivalents at the end of the half-year		<u>-</u>	<u>31,598</u>

The accompanying notes form part of these financial statements.

WINTECH GROUP LIMITED
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL REPORT

The general purpose financial statements for the interim half-year period ending 31 December 2010 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Accounting Standards.

The interim financial report is intended to provide users with an update on the latest annual financial statement of WinTech Group Ltd (Under Deed of Company Arrangement). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the year ended 30 June 2010, together with any announcements made during the half-year.

The accounting policies have been consistently applied by the Company and are consistent with those in the June 2010 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

These financial statements are prepared on a going concern basis, notwithstanding that for the period ending 31 December 2010 the Company incurred a loss of \$18,402 (2009: loss of \$645,617) and liabilities exceeded assets by \$246,000 (2009: \$277,598).

On 12 April 2011 the Company appointed Administrators, who on 26 May 2011, proceeded to enter the Company into a Deed of Company Arrangement ("DOCA") with its creditors. On 30 June 2011 the DOCA was executed with the creditors. The following matters in the DOCA require approval by shareholders at a general meeting.

Under the DOCA the following events are to occur:

- The administrators of the company have negotiated with convertible note holders, with obligations totalling \$1,050,000, and creditors, with obligations totalling in excess of \$1,000,000 to settle their outstanding claims through the issue of 80,000,000 and 50,000,000 ordinary shares respectively; and
- The company raised \$400,000 through a Convertible Loan and Subscription Agreement with ABEnergy Properties Pty Ltd in order to pay out a portion of the creditor balances and to settle expenses arising from the administration of the DOCA.

WINTECH GROUP LIMITED

(Under Deed of Company Arrangement)

ABN 36 003 087 689

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

2. GOING CONCERN BASIS *(Continued)*

Furthermore, the Directors of the company are currently in negotiations with a third party to discuss a possible takeover acquisition wholly funded through the issue of equity. These negotiations are in an advanced stage and the Directors are highly confident that the transaction will take place. As a consequence of this acquisition, the company will be able to access working capital sufficient for it to meet its debts as and when they fall due and payable.

The company invested in 100% of the share capital of Magnafield Technology Distribution Pty Ltd ("MTD") in 2009 which subsequently was placed into administration in July. MTD was liquidated as at 29 September 2010 through the Supreme Court of Victoria. The corporate relationship between Wintech and MTD specifically excluded a deed of guarantee. As such, the Directors believe that any claims or obligations arising from the liquidation of MTD will not affect the Company.

In the unlikely event that the events referred to above result in a negative outcome, then the going concern basis of accounting may not be appropriate with the result that the company may have to realize its assets and extinguish its liabilities other than in the normal course of business and in amounts different to that as stated within these financial statements. These financial statements do not include any adjustments relating to the recoverability or classification of recorded asset amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

3. ISSUED CAPITAL

	31 December 2010 \$	31 December 2009 \$
Issued and paid up capital		
51,489,191 (31 December 2009: 51,489,191) ordinary shares, fully paid	77,305,875	77,305,875

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.

WINTECH GROUP LIMITED
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

4. DIVIDENDS PAID OR PROVIDED FOR

No dividends have been paid or provided for during the half-year (2009: NIL)

5. SHARE OPTIONS

No options were exercised during the financial year (2009: NIL)

WINTECH GROUP LIMITED
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DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes set out on pages 7 to 13 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) giving a true and fair view of the Company's financial position as at 31 December 2010 for the half-year ended on that date.
2. In director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:


Trevor Kelly
Director

Dated in Melbourne, Australia on this 16th day of August 2011.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
WINTECH GROUP LIMITED (under Deed of Company Arrangement)**

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 (under Deed of Company Arrangement) (the "company"), which comprises the balance sheet at 31 December 2010, the income statement, statement of changes in equity and the cash flow statement for the half-year ended on that date, the accounting policies and other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Interim Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001, and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud and error.

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 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 2010 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 auditor of WinTech Group Limited (under Deed of Company Arrangement), ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the 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.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**WINTECH GROUP LIMITED (under Deed of Company Arrangement)**

ABN 36 003 087 689

*(Continued)***Basis for Qualified Conclusion**

The following scope limitations occurred during the course of our review:

The comparative figures in the financial report as presented in the 30 June 2010 and 31 December 2009 financial reports were accompanied by a disclaimer of auditor's opinion and a qualified conclusion that concerned transactions with the company's investee, Magnafield Technology Distribution Pty Limited (in liquidation) and transactions with related parties of the company's former executive chairman.

We were unable to satisfy ourselves in relation to these comparative figures by any other means, and as a result we do not express a conclusion on the comparative information, nor effects thereon on the current's period's loss result expressed in the income statement nor operating cashflows expressed in the cash flow statement that may arise in the event that the existence and availability of sufficient and appropriate evidence would require an adjustment to these comparative balances.

In addition, the company has raised a share-based payment reserve in-respect of claims owing to convertible note holders and secured and unsecured creditors that will be settled through the issue of 130,000,000 ordinary shares with a fair value of 1.58 cents per share which will take place at the next annual general meeting. Under *Interpretation 19* as issued by the Australian Accounting Standards Board, where such claims are to be settled through the issue of equity instruments, the equity instruments should be recognized at fair value.

We were unable to access the necessary inputs, calculations, documentation and assumptions substantiating the calculation of the fair value of these shares, and were also unable to corroborate their fair value through any other means, and as a result we do not express a conclusion on the valuation of the share-based payment reserve expressed in the balance sheet and statement of changes in equity, nor effects thereon on the current period's loss result expressed in the income statement that may arise in the event that the existence and availability of sufficient and appropriate evidence would require such an adjustment.

Qualified Conclusion

Based on our review, which is not an audit, and with the exception of the matters described in the preceding paragraphs, nothing has come to our attention that causes us to believe that the half-year financial report of WinTech Group Ltd (under Deed of Company Arrangement) is not in accordance with the Corporations Act including: giving a true and fair view of Wintech Group Limited's financial position of as at 31 December 2010, and of its financial performance and its cash flows for the period ended on that date and complying with the Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**WINTech GROUP LIMITED (under Deed of Company Arrangement)**

ABN 36 003 087 689

*(Continued)***Inherent Uncertainty Regarding Continuation as a Going Concern**

In addition to the qualified conclusion expressed above, attention is drawn to Note 1(b) to the financial statements. The matters described in Note 1(b) indicate the existence of a material uncertainty that may cast significant doubt whether the Company 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.

**William Buck Audit (Vic) Pty Ltd**

ABN 59 116 151 136

**H. D. Paton**
DirectorDated this 16th day of August, 2011