



WINTECH GROUP LIMITED

ABN 36 003 087 689

Appendix 4D
Interim Financial Report

for the half-year ended
31 December 2009

To be read in conjunction with the 30 June 2009 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 2009
Previous Reporting Period: Half-year ended 31 December 2008

Results to be announced to the market		A\$'000
Revenue from ordinary activities	-	-
Loss after tax attributable to members	Up 44% to	645,617*
Loss for the half-year attributable to members	Up 44%	645,617*

*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 2009	31 December 2008
Net Tangible Assets per ordinary share	(0.0250)	(0.0477)

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

WINTECH GROUP LIMITED

ABN 36 003 087 689

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COMPANY PARTICULARS

DIRECTORS

Mr Maurice Gerkens (Chairman)
Mr Kim Wong (Managing Director)
Mr David Yap (Director)
Mr King Chuen Chong (Director)
Mr Yong Hua Tay (Non Exec. Director)

REGISTERED OFFICE

Wintech Group Ltd
Level 9, 552 Lonsdale Street
Melbourne Vic 3000
Telephone: (61) 3 8602 7303
Facsimile: (61) 3 9600 1930

COMPANY SECRETARY

Mr Kenneth Glynn

PRINCIPAL OFFICE

Wintech Group Ltd
Level 9, 552 Lonsdale Street
Melbourne Vic 3000
Australia
Telephone: (61) 3 8602 7303
Facsimile: (61) 3 9600 1930

AUDITORS

William Buck
Cnr Toorak & Auburn Roads
Hawthorn East Vic 3123

SOLICITORS

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

BANKERS

National Australia Bank
129-135 Elgin Street
Carlton VIC 3053

SHARE REGISTRY

Registries Limited
Level 7, Kent 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 2009, 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:

Maurice Gerkens – Chairman (appointed 7 April 2010)

King Chuen Chong – Director (appointed 27 August 2009)

Kim Wong – Executive Director

Yong Hua Tay – Director

David Yap – Director

Wei Li – Director (resigned 23 February 2010)

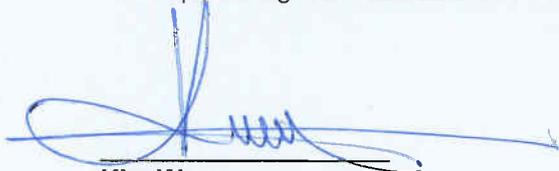
REVIEW OF OPERATIONS

The profit of the consolidated entity for the half-year ended 31 December 2009, after income tax amounted to \$ 6,456,517 (2008: loss \$448,477).

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 5 for the half-year ended 31 December 2009.

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



Kim Wong

Executive Director

Dated in Melbourne, Australia on this 15th day of June 2010

15 June 2010

The Board of Directors
Wintech Group Limited
Level 9, 552 Lonsdale Street
MELBOURNE VIC 3000

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 2009, 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
William Buck Audit (VIC) Pty Ltd
ABN 59 116 151 136

Dated in Melbourne, Australia on this 15th day of June 2010

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

WINTECH GROUP LIMITED

ABN 36 003 087 689

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	Note	Consolidated Group	
		<i>31 December</i>	
		2009	2008
		\$	\$
Continuing operations			
Administration		(112,156)	(129,664)
Corporate		(509,878)	(251,185)
Finance		(23,583)	(11,812)
Occupancy		-	(36,300)
Other		-	(19,516)
		<hr/>	<hr/>
Loss before income tax expense		(645,617)	(448,477)
Income tax expense		-	-
		<hr/>	<hr/>
Loss for the period from continuing operations		(645,617)	(448,477)
		<hr/>	<hr/>
Discontinued operation			
Gain for the period from discontinued operation		7,102,134	-
		<hr/>	<hr/>
Profit for the period		6,456,517	(448,477)
		<hr/>	<hr/>
Other comprehensive income		-	-
		<hr/>	<hr/>
Profit / (loss) attributable to the members of Wintech Group Limited		6,456,517	(448,477)
		<hr/>	<hr/>
Earnings per share			
<i>From continuing and discontinued operations</i>			
Basic earnings/(loss) per share		\$0.1254	(\$0.0191)
Diluted earnings/(loss) per share		\$0.1254	(\$0.0191)
<i>From continuing operations</i>			
Basic earnings/(loss) per share		(\$0.0125)	(\$0.0191)
Diluted earnings/(loss) per share		(\$0.0125)	(\$0.0191)

The accompanying notes form part of these financial statements.

WINTECH GROUP LIMITED

ABN 36 003 087 689

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2009

	Note	Consolidated Group	
		31 December 2009	30 June 2009
		\$	\$
Current Assets			
Cash and cash equivalents		21	16,750
Total Current Assets		21	16,750
Non-Current Assets			
Plant and Equipment		-	10,000
Total Non-Current Assets		-	10,000
Total Assets		21	26,750
Current Liabilities			
Bank overdraft		30,949	60,927
Trade and other payables		609,696	2,105,559
Short-term borrowings		-	5,774,701
Provisions		-	31,379
Total Current Liabilities		640,645	7,972,566
Non-Current Liabilities			
Long-term borrowings		848,675	-
Total Non-Current Liabilities		848,675	-
Total Liabilities		1,489,320	7,972,566
Net Deficiency		(1,489,299)	(7,954,816)
Equity			
Issued capital	3	77,305,875	77,305,875
Reserves		227,481	227,481
Accumulated losses		(79,022,655)	(85,479,172)
Total Equity/(Deficiency)		(1,489,299)	(7,945,816)

The accompanying notes form part of these financial statements.

WINTECH GROUP LIMITED

ABN 36 003 087 689

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

	\$	\$	\$	\$
	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Total
Balance at 1 July 2008	72,893,878	(73,491,438)	227,481	(370,079)
Loss for the half-year	-	(448,477)	-	(448,477)
Balance at 31 December 2008	72,893,878	(73,939,915)	227,481	(818,556)
Balance at 1 July 2009	77,305,875	(85,479,172)	227,481	(7,945,816)
Loss for the half-year	-	6,456,517	-	6,566,517
Balance at 31 December 2009	77,305,875	(79,022,655)	227,481	(1,289,299)

The accompanying notes form part of these financial statements.

WINTECH GROUP LIMITED

ABN 36 003 087 689

CONSOLIDATED STATEMENT OF CASH FLOWS**FOR THE HALF-YEAR ENDED 31 DECEMBER 2009**

	Note	Economic Entity	
		31 December	
		2009	2008
		\$	\$
Cash flow from operating activities			
Payments to suppliers and employees		(706,012)	(400,012)
Finance costs		(4,908)	-
		<u>(710,920)</u>	<u>(400,012)</u>
Net cash used in operating activities			
		<u>(710,920)</u>	<u>(400,012)</u>
Cash flow from investing activities			
Cash outflows from loss of control of subsidiary		(16,750)	-
		<u>(16,750)</u>	<u>-</u>
Net cash used in investing activities			
		<u>(16,750)</u>	<u>-</u>
Cash flow from financing activities			
Proceeds from borrowings		830,000	394,151
Repayments of borrowings		(89,081)	-
		<u>740,919</u>	<u>394,151</u>
Net cash provided by financing activities			
		<u>740,919</u>	<u>394,151</u>
Net increase/(decrease) in cash held		13,249	(5,861)
Cash at the beginning of the half-year		44,177	6,072
		<u>44,177</u>	<u>6,072</u>
Cash at end of the half-year		<u>30,928</u>	<u>211</u>

The accompanying notes form part of these 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 2009

1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL REPORT

The general purpose financial statements for the interim half-year period ended 31 December 2009 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 and its controlled entities ("consolidated group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the half-year ended 31 December 2009, together with any public announcements made during the half-year.

The accounting policies have been consistently applied by the entities in the consolidated group and are consistent with those in the June 2009 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 year then ended 31 December the consolidated group incurred an operating loss of \$645,617 from continuing operations (2008: \$448,477) and liabilities exceeded assets by \$1,489,299 (2008: \$7,954,816).

As discussed in note 6, the Company's principal subsidiary, MTD, is currently in Receivership. The total liabilities in respect of the MTD subsidiary as at 31 December 2009 were \$7,102,134. Upon Receivership these liabilities were deconsolidated from the operations of the Company.

The liquidation process of MTD, including the identification and settlement with outstanding creditors has not been completed. The parent and subsidiary relationship between WinTech and MTD specifically excluded a deed of cross guarantee. As such, the Directors believe that any claims or obligations arising from the liquidation of MTD will not affect the parent Company.

For the parent Company, total liabilities at 31 December 2009 totalled \$1,289,320. As discussed in Note 8, the Company has been able to raise \$600,000 in convertible notes in order to pay down these liabilities and together with a drawdown facility it negotiated in March 2009 for a further \$400,000. In addition, the Directors of the Company expect to raise additional capital through further issues of equity, options and convertible notes in order to justify its position as a going concern.

WINTECH GROUP LIMITED

ABN 36 003 087 689

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

3. ISSUED CAPITAL	31 December 2009 \$	30 June 2009 \$
Issued and paid up capital		
51,489,191 (30 June 2009: 51,489,191) ordinary shares, fully paid	<u>77,305,875</u>	<u>77,305,875</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. DIVIDENDS PAID OR PROVIDED FOR

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

5. SHARE OPTIONS

There were 1,199,938 options expired unexercised during the half-year. No options were exercised during the financial year.

6. LOSS OF CONTROL OF CONTROLLED ENTITY

On 23 July 2009, WinTech lost the control of MTD, a wholly owned subsidiary, as MTD was placed under receivership following the appointment of Deloitte Touche Tohmatsu as receiver and manager of the business by its financier due to breach of contractual loan covenants. As a result, MTD did not trade during the half year. Therefore there were no revenue generated and expenses incurred by MTD.

	31 December 2009 \$
Gain on loss of control of MTD	<u>7,302,134</u>

The net liabilities of MTD at the date of loss of control were \$7,302,134.

No goodwill was attributed to MTD.

WINTECH GROUP LIMITED

ABN 36 003 087 689

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

7. CONTINGENT LIABILITIES

MTD, a wholly owned subsidiary of WinTech, was placed into receivership on 23 July 2009. WinTech has not provided a cross-guarantee of financial support to MTD, however, due to the uncertainty regarding receivership of MTD; it is possible that employees, suppliers, financiers and other external parties may arise in the course of receivership in respect of conditions that existed at 31 December 2009.

8. EVENTS SUBSEQUENT TO BALANCE DATE

- (i) A claim was lodged with the company on 7 December 2009 by Tim Clark in respect of past services unpaid. The total of the claim was \$722,144. Following several court adjournments, that matter was dismissed in court on 24 March 2010. The Directors are confident that there is no obligation remaining in-respect of this claim and no amount has been accrued for in these financial statements.
- (ii) On 23 February 2010 Mr. Wei Lei resigned as a director of the company.
- (iii) Mr. William Maurice Gerkens was appointed to the Board of Directors from 6 April 2010. Mr. Gerkens graduated from Melbourne University with a Bachelor of Laws, was admitted as a Barrister and Solicitor of the Supreme Court of Victoria and High Court of Australia and as a legal Practitioner of the Supreme Court of New South Wales. He has previously held a public company directorship, various reviews and appeals tribunal positions and was formerly a Magistrate of the State of Victoria.

WINTECH GROUP LIMITED

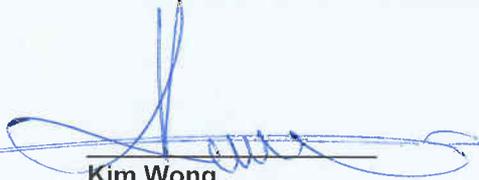
ABN 36 003 087 689

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes set out on pages 6 to 12 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 consolidated group's financial position as at 31 December 2009 and of its performance 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.

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



Kim Wong
Executive Director

Dated in Melbourne, Australia on this 15th day of June 2010.

**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 its controlled entities, which comprises the consolidated statement of financial position as at 31 December 2009, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, the accounting policies and other selected explanatory notes and the directors' declaration.

Director's Responsibility for the Interim Financial Report

The directors of the company 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 establishing 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 2009 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.

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

Level 1, 465 Auburn Road, Hawthorn East VIC 3123
PO Box 185, Toorak VIC 3142
Telephone: +61 3 9824 8555 • Facsimile: +61 3 9824 8580
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**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
WINTECH GROUP LIMITED**

ABN 36 003 087 689

(Continued)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of consolidated group for the half-year ended 31 December 2009 included on the website of Wintech Group Limited. The Directors of the consolidated group are responsible for the integrity of the website and we have not been engaged to report on its integrity. The review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to / from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on the company's website.

Independence

In conducting our review, we have complied with applicable independence requirements of Australian professional ethical pronouncements and 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.

Basis for Qualified Conclusions

As noted in Note 2 to the financial statements, the company's principal subsidiary, Magnafield Technology Distribution Pty Limited (MTD) defaulted under its National Debtor Finance Facility. The financier subsequently placed the subsidiary under administration on 23 July 2009. As a result, we couldn't verify the opening balance of the accounts and accurately determined the gain on loss of control of MTD. As such we were unable to obtain all the information and explanations to permit the application of necessary audit procedures, in order to form an opinion on the consolidated financial report.

Qualified Conclusion

Based on our review, which is not an audit, with the exception of the matter 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 does not present fairly, in all material respects, the financial position of Wintech Group Ltd as at 31 December 2009, and of its financial performance and its cash flows for the period ended on that date in accordance with *Corporations Act 2001*.

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

ABN 36 003 087 689
(Continued)

Inherent Uncertainty Regarding Continuation as a Going Concern

In addition to the disclaimer 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 10, there is inherent uncertainty whether the consolidated group 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.

Inherent Uncertainty Regarding Contingent Liability

In addition to the disclaimer 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 10, the Group's principal subsidiary MTD is in the process of liquidation. The liquidation process, including the identification and settlement with outstanding creditors has not been completed. There is accordingly a contingent liability over potential unrecorded liabilities arising from the liquidation process and any legal action if any to be taken by creditors or local regulators.

A handwritten signature in blue ink, appearing to read 'Jeffrey Luckins', with a horizontal line extending to the right.

Jeffrey Luckins
Director
William Buck Audit (VIC) Pty Ltd
ABN 59 116 121 136

Dated in Melbourne, Australia on this 15th day of June 2010