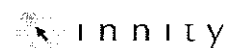


Innity Corporation Berhad

(Company No. 764555-D)
(Incorporated in Malaysia)



Quarterly report on results for the 2nd Quarter ended 30 June 2009 CONDENSED CONSOLIDATED INCOME STATEMENTS

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter For the period	Preceding year corresponding quarter	Current year For the period	Preceding year corresponding period
	1 April 2009 to 30 June 2009 RM'000	29 April 2009 to 30 June 2008 RM'000	1 January 2009 to 30 June 2009 RM'000	29 April 2009 to 30 June 2008 RM'000
Revenue	2,693	1,506	5,477	1,506
Direct costs	(1,937)	(875)	(3,847)	(875)
Gross profit	756	631	1,630	631
Other operating income	27	3	66	3
Operating expenses	(1,578)	(566)	(2,901)	(566)
(Loss)/profit from operations	(795)	68	(1,205)	68
Finance cost	(8)	(4)	(16)	(4)
Share of loss from an associate	-	-	(2)	-
(Loss)/profit before taxation	(803)	64	(1,223)	64
Tax expense	-	-	-	-
(Loss)/profit for the period	(803)	64	(1,223)	64
Attributable to:				
Shareholders of the Company	(755)	80	(1,132)	80
Minority interest	(48)	(16)	(91)	(16)
(Loss)/profit for the period	(803)	64	(1,223)	64
Basic (loss)/earnings per share (sen)	(0.60)	0.44	(0.90)	0.44

Notes:

The condensed consolidated income statement is prepared based on the consolidated results of Innity Corporation Berhad ("ICB") and its subsidiary companies ("Group") for the quarter ended 30 June 2009 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2008.

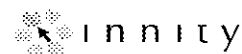
The accompanying notes are an integral part of this quarterly report.

ICB completed the acquisition of its subsidiary companies on 28 April 2008 and was listed on 30 June 2008.

Innity Corporation Berhad

(Company No. 764555-D)

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Quarterly report on results for the 2nd Quarter ended 30 June 2009

CONDENSED CONSOLIDATED BALANCE SHEET

(The figures have not been audited)

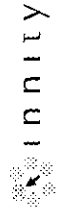
	Unaudited As at 30 June 2009 RM'000	Audited As at 31 December 2008 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	964	953
Development expenditure	2,392	2,394
Investment in associated company	-	2
	<u>3,356</u>	<u>3,349</u>
Current assets		
Trade receivables	4,498	4,712
Other receivables, deposit and prepayments	448	284
Amount due from an associate	178	128
Tax recoverable	90	61
Fixed and short term deposits	8,075	8,494
Cash and cash equivalents	856	1,500
	<u>14,145</u>	<u>15,179</u>
TOTAL ASSETS	<u>17,501</u>	<u>18,528</u>
EQUITY AND LIABILITIES		
Share capital	12,582	12,582
Reserves	(2,371)	(2,385)
Retained Profits	4,250	5,382
Total equity attributable to shareholders of the Company	<u>14,461</u>	<u>15,579</u>
Minority interest	<u>7</u>	<u>98</u>
Total equity	<u>14,468</u>	<u>15,677</u>
Non-current liabilities		
Borrowings	392	405
	<u>392</u>	<u>405</u>
Current liabilities		
Trade payables	2,472	2,037
Amount due to a director of a subsidiary company	-	48
Other payables and accruals	144	337
Borrowings	25	24
Total current liabilities	<u>2,641</u>	<u>2,446</u>
Total liabilities	<u>3,033</u>	<u>2,851</u>
TOTAL EQUITY AND LIABILITIES	<u>17,501</u>	<u>18,528</u>
Net assets per share (sen)	<u>11.49</u>	<u>12.38</u>

Notes:

The condensed consolidated Balance Sheet is prepared based on the consolidated results of the Group for the quarter ended 30 June 2009 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2008.

The accompanying notes are an integral part of this quarterly report.

Innity Corporation Berhad



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Quarterly report on results for the 2nd Quarter ended 30 June 2009 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	Share Capital RM'000	Non-distributable			Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
		Share Premium RM'000	Share Reverse Acquisition Reserve RM'000	Share Reverse Acquisition Reserve RM'000					
Balance as at 1 January 2009	12,582	136	(2,512)	(9)	5,382	15,579	98	15,677	
Translation differences	-	-	-	14	-	14	-	14	
Net profit/(loss) for the period	-	-	-	-	(1,132)	(1,132)	(91)	(1,223)	
Balances as at 30 June 2009	12,582	136	(2,512)	5	4,250	14,461	7	14,468	
Balance as at 29 April 2008	410	-	-	(12)	4,959	5,357	79	5,436	
Arising from reverse acquisition	2,512	-	(2,512)	-	-	-	-	-	
Right issue of shares	2,000	-	-	-	-	2,000	-	2,000	
Public issue of shares	1,700	7,650	-	-	-	9,350	-	9,350	
Bonus issue of shares	5,960	(5,960)	-	-	-	-	-	-	
Share issue expenses	-	(1,074)	-	-	-	(1,074)	-	(1,074)	
Goodwill written off	-	-	-	-	(6)	(6)	-	(6)	
Net Profit for the period	-	-	-	-	80	80	(16)	64	
Balance as at 30 June 2008	12,582	616	(2,512)	(12)	5,033	15,707	63	15,770	

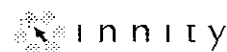
The condensed consolidated statement of changes in equity is prepared based on the consolidated results of the Group for the quarter ended 30 June 2009 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2008.

The accompanying notes are an integral part of this quarterly report.

ICB completed the acquisition of its subsidiary companies on 28 April 2008 and was listed on 30 June 2008.

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Quarterly report on results for the 2nd Quarter ended 30 June 2009 CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(The figures have not been audited)

	Current year For the period	Preceding year corresponding period
	1 January 2009 to 30 June 2009 RM'000	29 April 2008 to 30 June 2008 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit/(Loss) before tax	(1,223)	64
Adjustments for :		
Depreciation	75	18
Amortisation of development expenditure	311	64
Interest income from fixed and short term deposits	(56)	(7)
Interest expense	16	4
Share of loss of an associate	2	-
Operating profit/(loss) before working capital changes	(875)	143
Changes in working capital:		
(Increase)/Decrease in trade and other receivables	51	(2,775)
Increase/(Decrease) in trade and other payables	243	(187)
Cash used in operations	(581)	(2,819)
Income tax paid	(29)	(11)
Net cash used in operating activities	(610)	(2,830)
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of plant and equipment	(87)	(50)
Development expenditure paid	(309)	(165)
Increase in Fixed Deposits pledge	(30)	-
Interest received	56	7
Net cash used in investing activities	(370)	(208)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Proceeds from rights issue of shares	-	2,000
Proceeds from public issues	-	9,350
Share issue expenses	-	(1,074)
Repayments to a director of a Subsidiary	(48)	-
Interest paid	(16)	(4)
Repayments of term loans	(12)	(9)
Advances to associate	(50)	-
Net cash from/(used in) financing activities	(126)	10,263
Exchange difference	14	3
Net Increase/(decrease) in cash and cash equivalents	(1,092)	7,228
Cash and cash equivalents at beginning of period	9,568	21
Cash and cash equivalents at end of period	8,476	7,249
	30-Jun-09	30-Jun-08
<u>Cash and cash equivalents consist of:</u>		
Cash and cash balances	856	7,480
Fixed and short term deposits	8,075	345
Bank overdrafts	-	(246)
	8,931	7,579
Less: Fixed deposits pledged	(455)	(330)
	8,476	7,249

Notes:

The condensed consolidated Cashflow is prepared based on the consolidated results of the Group for the quarter ended 30 June 2009 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2008.

The accompanying notes are an integral part of this quarterly report.

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Quarterly report on results for the 2nd Quarter ended 30 June 2009

A NOTES TO INTERIM FINANCIAL REPORT

A1 Basis of preparation of Interim Financial Report

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard ("FRS") No. 134: Interim Financial Reporting, and paragraph 9.22 of Bursa Malaysia Securities Berhad ("Bursa Securities")'s ACE Market Listing Requirements ("ACE LR").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2008. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of Innity Corporation Berhad ("ICB") and its subsidiary companies ("Group") for the financial period ended 30 June 2009.

The accounting policies and methods of computation adopted by ICB and its subsidiary companies, Innity Sdn Bhd ("ISB"), Innity Limited ("Innity Ltd"), Innity Singapore Pte Ltd ("Innity Singapore") (formerly known as IM Innity Pte Ltd), Innity Vietnam Company Limited (Innity Vietnam), Spiral Vibe Sdn Bhd ("SVSB") and Advenue Digital Advertising Sdn Bhd ("ADASB") in the preparation of this interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2008.

A2 Auditors' report on preceding annual financial statements

There was no audit qualification on the financial statements of the Group for the financial year ended 31 December 2008.

A3 Seasonal or cyclical factors

In general, online advertising activities would pick up during second half of the calendar year especially towards year end.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter and financial year-to-date.

A5 Material changes in estimates

There were no changes in estimates that have a material effect in the current financial quarter and financial year-to-date results.

A6 Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial quarter.

A7 Dividend paid

There were no dividends paid by the Company during the current financial quarter.

A8 Segmental information

Segment information is presented in respect of the Group's geographical segments. The primary format,

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Quarterly report on results for the 2nd Quarter ended 30 June 2009

A8 Segmental Information (Cont'd)

geographical segments, is based on the Group's management and internal reporting structure. A secondary format is not presented as the Group's activities in each geographical location is similar.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise investments and related revenue, corporate assets and head office expenses, tax assets and liabilities.

Geographical segments

The Group comprises the following main geographical segments:

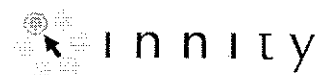
Malaysia
Singapore
Vietnam

Cumulative for the period from 1/1/09 to 30/06/2009
(The figures have not been audited)

Geographical Segments	Malaysia RM'000	Singapore RM'000	Vietnam RM'000	Group RM'000
Revenue from external customers	5,010	408	59	5,477
Inter-segment revenue	-	-	-	-
Total revenue	5,010	408	59	5,477
Segment result				
Results from operating activities	(944)	(213)	(48)	(1,205)
Share of loss from associated company	(2)	-	-	(2)
Finance Costs	(16)	-	-	(16)
Loss before taxation	(962)	(213)	(48)	(1,223)
Tax expense	-	-	-	-
Loss for the period	(962)	(213)	(48)	(1,223)
Segment assets	16,744	469	288	17,501
Total assets				17,501

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Quarterly report on results for the 2nd Quarter ended 30 June 2009

A8 Segmental Information (Cont'd)

Segment liabilities	2,800	228	5	3,033
Total liabilities				<u>3,033</u>

A9 Valuation of property, plant and equipment

There was no valuation of the property, plant and equipment in current financial quarter.

A10 Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current reporting period.

A11 Changes in the composition of the Group

On 24 April 2009, ICB had acquired 100% equity interest in Advenue Digital Advertising Sdn Bhd (852955-U) ("ADASB") and Spiral Vibe Sdn Bhd (852969-U) ("SVSB") comprising two ordinary shares of RM1.00 each.

Both ADASB and SVSB were incorporated on 9 April 2009 under the Companies Act, 1965. The authorized share capital of both ADASB and SVSB are RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each of which two ordinary shares of RM1.00 each were issued and fully paid up.

Both ADASB and SVSB are currently dormant. The intended principal activity of ADASB is to provide technology solutions for digital advertising activities via advertising serving, advertising targeting, advertising optimization, report and analytics software system whilst the intended principal activity of SVSB is to carry on the business as an advertising agency with a full suite of services.

Save for the above, there was no change in the composition of the Group during the interim period, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

A12 Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

A13 Capital commitments

The amount of capital commitment not provided for in the interim financial statements as at 30 June 2009 is as follows:-

	As at 30 June 2009
	RM'000
Approved and not contracted for – Property, plant and equipment	<u>220</u>

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Quarterly report on results for the 2nd Quarter ended 30 June 2009

A14 Significant related party transactions

The following were the significant related party transactions:-

	Cumulative Year to date 30.06.2009 RM
Purchase of advertisement space	37,856
Purchase of online recruitment services	5,513
	<hr/>
	43,369

The above transactions had been entered into in the ordinary course of business on normal commercial terms. These transactions are within the ambit of the ratification approved by the shareholders of the Company Annual General Meeting on 26 June 2009.

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Quarterly report on results for the 2nd Quarter ended 30 June 2009

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS FOR THE ACE MARKET

B1 Review of performance

For the current quarter ended 30 June 2009, ICB Group recorded a loss after taxation ("LAT") of RM0.8 million on the back of revenue of RM2.69 million mainly from the provision of technology based online advertising solutions. Net loss attributable to shareholders of the Company for the current quarter was RM0.76 million.

B2 Variation of results against immediate preceding quarter

	Current Quarter 30 June 2009 RM'000	Preceding Quarter 31 Mar 2009 RM'000
Revenue	2,693	2,784
Loss before tax ("LBT")	(803)	(420)

The Group recorded a revenue of RM2.69 million and LBT of RM0.80 million in the current quarter as compared to a revenue of RM2.78 million and LBT of RM0.42 million in the immediate preceding quarter. This represents approximately 3% slight decrease in revenue and 91% increase in LBT as compared to the preceding quarter. The slight drop in revenue was mainly due to the lower sales derived from Online Ad Production which is commonly perceived by advertisers as extravagant expenditure. In view of the current financial crisis, advertisers adopted a more cautious spending behavior based on their tightened budget. Overall the Group suffered a slowdown in sales performance especially from foreign subsidiary companies which were affected by the global financial crisis. The increase in LBT in the current quarter as compared to the preceding quarter is mainly due to the increase in operational costs especially from seasonal spending on various compliance costs such as annual internal audit fee, Annual General Meeting expenses, trade exhibition costs and sales commission paid in the quarter.

B3 Prospects for the financial year ending 31 December 2009

The Directors are of the opinion that the Group's prospects for the financial year ending 31 December 2009 will be challenging in view of the current financial crisis.

B4 Profit forecast, profit guarantee and internal targets

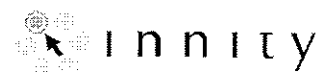
This is not applicable to the Group.

B5 Income tax expense

	Current year quarter 30 June 2009 RM'000	Current year to date 30 June 2009 RM'000
Income tax based on the results for the period under review	-	-

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Quarterly report on results for the 2nd Quarter ended 30 June 2009

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B5 Income Tax expense (Cont'd)

The zero income tax for the current period under review is due to the loss reported by the Group.

B6 Unquoted investments and properties

There were no changes in the unquoted investments and properties of the Group for the current financial quarter.

B7 Quoted securities

There were no acquisitions or disposals of quoted securities during the current financial quarter. The Group does not have any quoted securities as at 30 June 2009.

B8 Group's borrowings and debt securities

The Group's borrowings as at 30 June 2009 are as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings:-			
Term Loans	25	-	25
Long Term borrowings:-			
Term Loans	392	-	392
Total	417	-	417

The Group does not have any foreign currency borrowings.

B9 Off balance sheet financial instruments

As at reporting date, the Group does not have any off balance sheet financial instruments.

B10 Material litigation

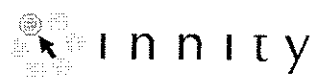
As at reporting date, neither the Company nor its subsidiary companies are engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or its subsidiary companies and the Board does not know of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or its subsidiary companies.

B11 Dividends

There was no dividend declared for the current quarter and the financial year to date.

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Quarterly report on results for the 2nd Quarter ended 30 June 2009

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONT'D)

B12 Earnings per share	Current Quarter 30 June 2009	Current Year To Date 30 June 2009
Loss after taxation after minority interest (RM'000)	(755)	(1,132)
Number of ordinary shares in issue ('000)	125,821	125,821
Basic losses/earnings per share (sen)	<u>(0.60)</u>	<u>(0.90)</u>

Diluted earnings per share is not computed as the Company does not have any convertible financial instruments as at 30 June 2009.

B13 Status of corporate proposals

There were no corporate proposals announced but not yet completed as at the date of this announcement.

B14 Status of utilisation of proceeds

ICB raised gross proceeds of RM11.35 million from the rights issue and public issue during the initial public offering and has utilised approximately 51% of the proceeds as at 30 June 2009:

	Proposed utilisation RM'000	Actual utilisation RM'000	Balance RM'000	Intended time frame for utilisation from listing date
R&D expenditure	4,500	(1,229)	3,271	Within 24 months
Set up cost of regional offices	1,500	(370)	1,130	Within 24 months
Marketing expenditure	1,000	(143)	857	Within 18 months
Working Capital	2,850	(2,548)	302	Within 24 months
Defrayment of listing expenses	1,500	(1,500)	-	Within 6 months
	<u>11,350</u>	<u>(5,790)</u>	<u>5,560</u>	

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Quarterly report on results for the 2nd Quarter ended 30 June 2009

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (CONT'D)

B15 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the Board of Directors' meeting held on 19 August 2009.

On Behalf of the Board

Phang Chee Leong

Executive Chairman

Date: 19-August-2009