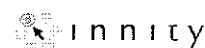


# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010 CONDENSED CONSOLIDATED INCOME STATEMENT

(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 Apr 2010 to 30 June 2010 RM'000	1 Apr 2009 to 30 June 2009 RM'000	1 Jan 2010 to 30 June 2010 RM'000	1 Jan 2009 to 30 June 2009 RM'000
Revenue	5,066	2,693	9,844	5,477
Direct costs	(3,144)	(1,937)	(6,060)	(3,847)
Gross profit	1,922	756	3,784	1,630
Other operating income	26	27	61	66
Operating expenses	(2,044)	(1,578)	(3,795)	(2,901)
(Loss)/profit from operations	(96)	(795)	50	(1,205)
Finance cost	(7)	(8)	(15)	(16)
Share of loss from an associate	-	-	-	(2)
(Loss)/profit before taxation	(103)	(803)	35	(1,223)
Tax expense	-	-	-	-
(Loss)/profit for the period	(103)	(803)	35	(1,223)
Attributable to:				
Shareholders of the Company	(93)	(755)	18	(1,132)
Minority interest	(10)	(48)	17	(91)
(Loss)/profit for the period	(103)	(803)	35	(1,223)
Basic (loss)/earnings per share (sen)	(0.07)	(0.60)	0.01	(0.90)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter For the period	Preceding year corresponding quarter	Current year For the period	Preceding year corresponding period
	1 Apr 2010 to 30 June 2010 RM'000	1 Apr 2009 to 30 June 2009 RM'000	1 Jan 2010 to 30 June 2010 RM'000	1 Jan 2009 to 30 June 2009 RM'000
(Loss)/profit for the period	(103)	(803)	35	(1,223)
Other comprehensive income/(loss)				
Foreign currency translation differences for foreign operations	30	(10)	(58)	14
Other comprehensive income/(loss) for the period	30	(10)	(58)	14
Total comprehensive loss for the period	(73)	(813)	(23)	(1,209)
Total comprehensive loss attributable to:				
Owners of the Company	(64)	(765)	(28)	(1,118)
Minority interests	(9)	(48)	5	(91)
Total comprehensive loss for the period	(73)	(813)	(23)	(1,209)

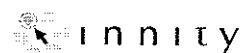
### Notes:

The Condensed Consolidated Income Statement and Condensed Consolidated Statement of Comprehensive Income are prepared based on the consolidated results of Innity Corporation Berhad ("ICB") and its subsidiary companies ("Group") for the quarter ended 30 June 2010 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2009.

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

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*(The figures have not been audited)*

	Unaudited As at 30 June 2010 RM'000	Audited As at 31 December 2009 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,171	1,145
Development expenditure	2,359	2,396
	<u>3,530</u>	<u>3,541</u>
<b>Current assets</b>		
Trade receivables	7,741	5,598
Other receivables, deposit and prepayments	581	471
Amount due from an associate	250	248
Tax recoverable	51	95
Fixed and short term deposits	5,233	7,652
Cash and cash equivalents	651	573
	<u>14,507</u>	<u>14,637</u>
<b>TOTAL ASSETS</b>	<u>18,037</u>	<u>18,178</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	12,582	12,582
Reserves	(2,445)	(2,399)
Retained Profits	3,902	3,884
<b>Total equity attributable to owners of the Company</b>	<u>14,039</u>	<u>14,067</u>
<b>Minority interest</b>	70	40
<b>Total equity</b>	<u>14,109</u>	<u>14,107</u>
<b>Non-current liabilities</b>		
Long Term Borrowings	365	381
	<u>365</u>	<u>381</u>
<b>Current liabilities</b>		
Trade payables	3,031	3,289
Other payables and accruals	505	377
Short Term Borrowings	27	24
<b>Total current liabilities</b>	<u>3,563</u>	<u>3,690</u>
<b>Total liabilities</b>	<u>3,928</u>	<u>4,071</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>18,037</u>	<u>18,178</u>
<b>Net assets per share attributable to owners of the Company (sen)</b>	<u>11.16</u>	<u>11.18</u>

Notes:

The Condensed Consolidated Statement of Financial Position is prepared based on the consolidated results of the Group for the quarter ended 30 June 2010 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2009.

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

# Innity Corporation Berhad



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

## Quarterly report on results for the 2nd Quarter ended 30 June 2010 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

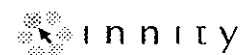
	Non-distributable					Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Reverse Acquisition Reserve RM'000	Translation Reserve RM'000	Share Acquisition Reserve RM'000				
<b>Balance as at 1 January 2010</b>	12,582	136	(2,512)	(23)		3,884	14,067	40	14,107
Total comprehensive loss for the period	-	-	-	(46)		18	(28)	5	(23)
Acquisition of subsidiaries	-	-	-	-		-	-	25	25
<b>Balance as at 30 June 2010</b>	<u>12,582</u>	<u>136</u>	<u>(2,512)</u>	<u>(69)</u>		<u>3,902</u>	<u>14,039</u>	<u>70</u>	<u>14,109</u>
<b>Balance as at 1 January 2009</b>	12,582	136	(2,512)	(9)		5,382	15,579	98	15,677
Total comprehensive loss for the period	-	-	-	14		(1,132)	(1,118)	(91)	(1,209)
<b>Balance as at 30 June 2009</b>	<u>12,582</u>	<u>136</u>	<u>(2,512)</u>	<u>5</u>		<u>4,250</u>	<u>14,461</u>	<u>7</u>	<u>14,468</u>

The Condensed Consolidated Statement of Changes in Equity is prepared based on the consolidated results of the Group for the quarter ended 30 June 2010 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2009.

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

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

*(The figures have not been audited)*

	Current year For the period	Preceding year corresponding period
	1 January 2010 to 30 June 2010 RM'000	1 January 2009 to 30 June 2009 RM'000
Net cash used in operating activities	(1,869)	(610)
Net cash used in investing activities	(415)	(370)
Net cash used in financing activities	(29)	(126)
Net decrease in cash and cash equivalents	(2,313)	(1,106)
Cash and cash equivalents at beginning of period	7,740	9,568
Effect of exchange rate changes on cash and cash equivalents	(58)	14
Cash and cash equivalents at end of period	5,369	8,476
	<b>30-Jun-10</b>	<b>30-Jun-09</b>
<u>Cash and cash equivalents consist of:</u>		
Cash and bank balances	651	856
Fixed and short term deposits	5,233	8,075
	5,884	8,931
Less: Fixed deposits pledged	(515)	(455)
	5,369	8,476

Notes:

The Condensed Consolidated Statement of Cash Flows is prepared based on the consolidated results of the Group for the quarter ended 30 June 2010 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2009.

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

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# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010

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### 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's ("Bursa Securities") 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 2009. 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 2010.

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"), Advenue Digital Advertising Sdn Bhd ("ADASB"), PT. Media Innity ("PTM"), Innity Software and Advertising Company Limited ("ISACL") and DoMedia Asia Sdn Bhd ("DoMedia") in the preparation of this interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2009 except for the adoption of the following new FRSs and amendments to certain FRSs for financial period beginning on 1 January 2010.

Effective for financial periods beginning on or after 1 January 2010

FRS 7: Financial Instruments: Disclosures

FRS 8: Operating segments

FRS 101: Presentation of Financial Statements(revised)

FRS 139: Financial Instruments: Recognition and Measurement

Amendments to FRS 1: First Time Adoption of Financial Reporting Standards and FRS 127: Consolidation and Separate Financial Statements: Cost of an investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS132: Financial Instruments: Presentation

Amendments to FRS139: Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosure and IC Interpretation 9 Reassessment of Embedded Derivatives

Amendment to FRS 8: Operating Segments

Amendment to FRS 128: Investments in Associates

Amendment to FRS 134: Interim Financial Reporting

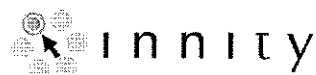
#### FRS 8, Operating segment

FRS 8 replaces FRS 114<sub>2004</sub>: Segment Reporting requires a "Management Approach", under which segment information is presented in a similar basis to that used for internal reporting purposes. As a result, the Group's external segmental reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assess the performance of the reportable segments. As this is disclosure standard, there will be no impact on the financial position or results of the Group.

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# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010

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### A1 Basis of preparation of Interim Financial Reporting (Cont'd)

#### FRS101, Presentation Financial Statements (Revised)

The previous version of FRS 101 required the presentation of an income statement that included items of income and expense recognized in profit or loss. It required items of income and expense not recognized in profit or loss to be presented in the statement of changes in equity, together with owner changes in equity. However, the revised FRS 101 requires;

- i. All changes in equity arising from transactions with owners in their capacity as owners (i.e. owner changes in equity) to be presented separately from non owner changes in equity. An entity is not permitted to present components of comprehensive income (i.e. non owner changes in equity) in the statement of changes in equity. Therefore all non-owner changes in equity are presented as a single line labelled as total comprehensive income.
- ii. Income and expense to be presented either in a single statement of comprehensive income or in two link statements.
- iii. Present a statement of financial position as at the beginning of the earliest comparative period when the company applies a different accounting policy, the correction of an error or reclassification of items in the financial statements.

This revised FRS does not have any impact on the financial position and results of the Group.

#### FRS139, Financial Instruments: Recognition and Measurement

The adoption of FRS139 has resulted in the changes to the following accounting policy relating to recognition and measurement of financial instruments.

##### Inter-Company loans

Prior to the adoption of FRS139, inter-company loans were recorded at cost. With the adoption of FRS139, inter-company loans are now recognized initially at their fair values, which are estimated by discounting the expected cash flows using the current market interest rate of a loan with similar risk and tenure. Finance income and costs are recognized in profit or loss using the effective interest method.

##### Fair value changes of financial liabilities

As at 30 June 2010, the Group does not have any financial liabilities measure at fair value through profit or loss.

### 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 2009.

### A3 Seasonal or cyclical factors

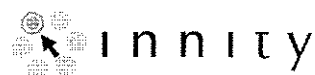
In general, online advertising activities would pick up during second half of the calendar year especially towards year end.

### 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 or financial year-to-date.

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010

### A5 Material changes in estimates

There were no changes in estimates that have a material effect in the current financial quarter or 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 Segment Information

The Company's core activities operate principally for the provision of technology-based online advertising solutions and other internet related services. The Company operates mainly in four geographical areas namely Malaysia, Singapore, Vietnam and Indonesia. Therefore segment information is presented in respect of the Group's geographical segments which are based on the Group's management and internal reporting structure.

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.

#### Cumulative Quarter Ended 30/06/2010 (The figures have not been audited)

Geographical Segments	Malaysia RM'000	Singapore RM'000	Vietnam RM'000	Indonesia RM'000	Inter- segment Eliminations RM'000	Group RM'000
<b>Revenue</b>						
Sales from external customers	7,979	806	500	559	-	9,844
Inter-segment revenue	142	60	-	2	(204)	-
<b>Total revenue</b>	<b>8,121</b>	<b>866</b>	<b>500</b>	<b>561</b>	<b>(204)</b>	<b>9,844</b>
<b>Segment results</b>						
Results from operating activities	(271)	130	102	89	-	50
Finance costs	(15)	-	-	-	-	(15)
(Loss)/Profit before tax	(286)	130	102	89	-	35
Tax expense	-	-	-	-	-	-
(Loss)/Profit for the period	(286)	130	102	89	-	35

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010

### A8 Segment Information (Cont'd)

Geographical Segments	Malaysia RM'000	Singapore RM'000	Vietnam RM'000	Indonesia RM'000	Inter-segment Eliminations RM'000	Group RM'000
<b>Assets</b>						
Segment assets	15,124	869	1,036	1,008	-	18,037
<b>Liabilities</b>						
Segment liabilities	3,123	304	331	170	-	3,928

### A9 Valuation of property, plant and equipment

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

During the financial year-to-date, the following change in composition of the Group was effected:-

- (i) On 10 February 2010, Innity Sdn Bhd ("ISB"), a wholly owned-subsiary of the ICB had incorporated a 95% owned subsidiary in Indonesia namely PT. Media Innity (Approval No. AHU-06947.AH.01.01 2010) ("PTM"). The issued and paid-up share capital of PTM is USD100,000 divided into 1,000 shares of USD100 each. Currently, the 95% equity interest comprising 950 shares of USD100 each in PTM is held by ISB whilst the remaining 5% equity interest of PTM is held by Tuan Samuel Yollis Michdon Netti.

The principal activity of PTM is to provide online digital marketing solutions and other internet related services.

- (ii) On 11 February 2010, Innity Vietnam Company Ltd ("IVCL") an 88% owned subsidiary company of Innity Limited ("IL") [IL is a wholly-owned subsidiary of Innity Sdn Bhd ("ISB") and ISB in turn is a wholly-owned subsidiary of ICB] had incorporated a 90% owned subsidiary in Vietnam, namely Innity Software and Advertising Company Limited ("ISACL") (Certificate of Investment bearing number 411022000498). The issued and paid-up share capital of ISACL is USD30,000. Currently, the 90% equity interest of ISACL is held by IVCL whilst the remaining 10% equity interest of ISACL is held by Innity Advertisement Company Ltd.

The principal activity of ISACL is to provide online digital marketing solutions and other internet related services.

- (iii) On 25 June 2010, Innity Sdn Bhd ("ISB") a wholly owned-subsiary of ICB had acquired 100% equity interest in DoMedia Asia Sdn Bhd (902580-D) ("DoMedia") comprising two ordinary shares of RM1.00 each. DoMedia was incorporated on 27 May 2010 under the Companies Act, 1965. The authorized share capital is RM500,000 divided into 500,000 ordinary shares of RM1.00 each of which two ordinary shares of RM1.00 each were issued and fully paid up.

The intended principal activity of DoMedia is to undertake outdoor and non-outdoor advertising business, event management and carrying out related advertisement production works, advertising contractor and agent and sales of advertising space.



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# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010

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### 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 Commitment

As at 30 June 2010, the Group has no material capital commitments in respect of property, plant and equipment.

### A14 Significant related party transactions

The following were the significant related party transactions:-

	<b>Cumulative Year to date 30.06.2010 RM</b>
Purchase of advertisement space	<b>46,305</b>
Purchase of online recruitment services	<b>5,513</b>
	<hr/> <b>51,818</b> <hr/>

The above transactions had been entered into in the ordinary course of business on normal commercial terms not materially different from those obtainable in transactions with unrelated parties.

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010

### **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 2010, ICB Group recorded revenue of RM5.07 million, an increase of approximately 88% when compared to RM2.69 million in the corresponding period of the preceding year. In the current period under review, the Group continued to benefit from its marketing strategy of focusing on performance based or engagement advertising that was adopted since the immediate preceding quarter. This is evident as we have been gaining wider acceptance from various clients for our products using performance based or engagement advertising which are more effective and measurable for their ad spending.

Loss before tax ("LBT") of RM103,000 was recorded in the current quarter as compared to LBT of RM803,000 in the corresponding period of preceding year. The improvement was mainly spurred by the increase in revenue which was in line with the better market condition as compared to the corresponding quarter of the preceding year.

For the six month period ended 30 June 2010, the Group recorded revenue of RM9.84 million as compared to RM5.48 million, representing an 80% increase in revenue. This improvement was largely contributed by the extended marketing focus on performance based or engagement advertising in year 2010 as well as the FIFA WorldCup event which was held in the current quarter. The turnaround results from RM1.22 million loss before tax to a profit before tax of RM0.035 million was attributable to the significant improvement in revenue when compared to the corresponding period of the preceding year.

#### **B2 Variation of results against immediate preceding quarter**

	<b>Current Quarter 30 June 2010 RM'000</b>	<b>Preceding quarter 31 March 2010 RM'000</b>
Revenue	5,066	4,778
Loss before tax/Profit before tax	(103)	138

During the current quarter under review, the Group recorded a revenue of RM5.07 million, this represents a slight increase of 6% as compared to a revenue of RM4.78 million in the immediate preceding quarter. The recent FIFA WorldCup event was a major contributor to the increase in revenue for the current quarter as compared to the immediate preceding quarter due to higher ad spending from advertisers before and during the month long event.

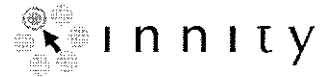
The Group recorded a Loss before tax of RM103,000 in the current quarter as compared to a Profit before tax of RM138,000 in the immediate preceding quarter. The loss before tax of RM103,000 recorded in the current quarter was mainly due to the increase in operational costs especially from seasonal spending that includes trade exhibition costs, sales commission paid and various compliance costs such as annual general meeting expenses and annual report expenses.

#### **B3 Prospects for the financial year ending 31 December 2010**

The Directors are of the opinion that the Group's prospects for the financial year ending 31 December 2010 will be challenging as advertisers remain cautious in light of the economic uncertainty. Although advertisement budgets of multinational companies should generally increase in conjunction with major events such as the upcoming Commonwealth Games, the current uncertain global conditions may still result in slashing of advertising expenses by parent companies located in the US and Europe which experienced the worst of the economic crisis.

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010

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

#### **B4 Revenue or profit estimate**

The Group did not previously announce or disclose any revenue or profit estimate, forecast, projection or internal targets for the financial period ended 30 June 2010.

#### **B5 Income tax expense**

	<b>Current quarter 30 June 2010</b>	<b>Current year to date 30 June 2010</b>
Income tax based on the results for the period under review	-	-

No income tax was incurred for the financial quarter under review and financial year to date.

#### **B6 Unquoted investments and properties**

There were no sales of unquoted investments and/or properties of the Group during the current financial quarter or financial year to date.

#### **B7 Quoted securities**

There were no acquisitions or disposals of quoted securities during the financial quarter under review.

#### **B8 Group's borrowings and debt securities**

The Group's borrowings as at 30 June 2010 are as follows:-

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Short term borrowings:-			
Term Loans	27	-	27
Long Term borrowings:-			
Term Loans	365	-	365
Total	<u>392</u>	<u>-</u>	<u>392</u>

The Group does not have any foreign currency borrowings.

#### **B9 Off balance sheet financial instruments**

The Group does not have any off balance sheet financial instruments as at 13 August 2010 (being the date not earlier than 7 days before the date of this announcement).

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010

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

#### **B10 Material Litigation**

As at 13 August 2010 (being the date not earlier than 7 days before the date of this announcement), 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 or the financial year to date.

#### **B12 Earnings per share**

	<b>Current Quarter 30 June 2010</b>	<b>Current Year to Date 30 June 2010</b>
(Loss)/ profit after tax and minority interest (RM '000)	(93)	18
Number of ordinary shares in issue ('000)	125,821	125,821
Basic (loss)/earnings per share (sen)	(0.07)	0.01

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Diluted earnings per share is not computed as the Company does not have any convertible financial instruments as at 30 June 2010.

#### **B13 Status of corporate proposals**

There are no corporate proposals announced but not yet completed as at 13 August 2010 (being the date not earlier than 7 days before the date of this announcement).

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2010

### B14 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 59% of the proceeds as at 30 June 2010.

As announced on 13 November 2009, the Company had obtained Securities Commission's approval to revise the utilisation of proceeds raised during the initial public offering. The revised utilisation and actual utilisation as at 30 June 2010 are as follows:-

Purpose	Planned utilisation as stated in Prospectus	Revised Utilisation	Actual utilisation as at 30 June 2010	Balance Unutilised		Intended time frame for utilisation from listing date	Extended time frame for the balance unutilised
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	%		
Research and development expenditure	4,500	4,500	(1,907)	2,593	57.6	Within 24 months	30 June 2012
Set up cost of regional offices	1,500	1,500	(515)	985	65.7	Within 24 months	30 June 2012
Marketing expenditure	1,000	207	(207)	-	-	Within 18 months	-
Working capital	2,850	3,643	(2,548)	1,095	30.1	Within 24 months	30 June 2012
Defrayment of listing expenses	1,500	1,500	(1,500)	-	-	Within 6 months	-
<b>Total</b>	<b>11,350</b>	<b>11,350</b>	<b>(6,677)</b>	<b>4,673</b>	<b>41.2</b>		

### 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 2010.

On Behalf of the Board

**Phang Chee Leong**  
Executive Chairman

Date: 19 August 2010