

Innity Corporation Berhad

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



Quarterly report on results for the 4th Quarter ended 31 December 2012 CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(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 Oct 2012 to 31 December 2012 RM'000	1 Oct 2011 to 31 December 2011 RM'000	1 January 2012 to 31 December 2012 RM'000	1 January 2011 to 31 December 2011 RM'000
Revenue	8,881	9,453	38,629	33,619
Direct costs	(4,621)	(5,521)	(21,870)	(20,661)
Gross profit	4,260	3,932	16,759	12,958
Other operating income	246	34	361	150
Operating expenses	(3,882)	(3,299)	(14,700)	(10,919)
Profit from operations	624	667	2,420	2,189
Finance cost	(6)	(8)	(28)	(37)
Share of loss of equity-accounted investees, net of tax	(151)	-	(153)	-
Profit before taxation	467	659	2,239	2,152
Tax expense	(352)	(87)	(468)	(145)
Profit for the period	115	572	1,771	2,007
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	15	(23)	(179)	(8)
Total other comprehensive income/(loss) for the period	15	(23)	(179)	(8)
Comprehensive income for the period	130	549	1,592	1,999
Profit/(Loss) attributable to:				
Owners of the Company	231	636	2,032	2,088
Non Controlling Interests	(116)	(64)	(261)	(81)
Profit for the period	115	572	1,771	2,007
Comprehensive income/(loss) attributable to:				
Owners of the Company	242	612	1,866	2,089
Non Controlling Interest	(112)	(63)	(274)	(90)
Comprehensive income for the period	130	549	1,592	1,999
Basic earnings per ordinary share (sen)	0.18	0.51	1.57	1.66

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 31 December 2012 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2011.

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 4th Quarter ended 31 December 2012 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31 December 2012 RM'000	Restated As at 31 December 2011 RM'000	Restated As at 01 January 2011 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	1,346	1,214	1,165
Development expenditure	2,680	2,615	2,642
Investment in associates	432	-	-
Deferred tax assets	24	-	-
	<u>4,482</u>	<u>3,829</u>	<u>3,807</u>
Current assets			
Trade receivables	13,676	15,813	9,593
Other receivables, deposit and prepayments	904	748	490
Tax Recoverable	44	21	-
Amount due from an associate	738	574	372
Fixed and short term deposits	8,425	3,976	4,805
Cash and cash equivalents	5,199	1,803	1,866
	<u>28,986</u>	<u>22,935</u>	<u>17,126</u>
TOTAL ASSETS	<u><u>33,468</u></u>	<u><u>26,764</u></u>	<u><u>20,933</u></u>
EQUITY AND LIABILITIES			
Share capital	13,840	12,582	12,582
Reserves	2,348	(2,447)	(2,452)
Retained profits	7,589	5,557	3,526
Total equity attributable to owners of the Company	<u>23,777</u>	<u>15,692</u>	<u>13,656</u>
Non Controlling Interest	<u>(315)</u>	<u>(41)</u>	<u>117</u>
Total equity	<u><u>23,462</u></u>	<u><u>15,651</u></u>	<u><u>13,773</u></u>
Non-current liabilities			
Long term borrowings	286	319	351
Retirement benefits obligation	50	37	15
Deferred tax liabilities	175	-	-
	<u>511</u>	<u>356</u>	<u>366</u>
Current liabilities			
Trade payables	6,602	7,174	4,251
Amount due to an associate	-	-	14
Other payables and accruals	2,648	3,334	2,019
Short term borrowings	33	122	445
Tax payable	212	127	65
Total current liabilities	<u>9,495</u>	<u>10,757</u>	<u>6,794</u>
Total liabilities	<u>10,006</u>	<u>11,113</u>	<u>7,160</u>
TOTAL EQUITY AND LIABILITIES	<u><u>33,468</u></u>	<u><u>26,764</u></u>	<u><u>20,933</u></u>
Net assets per share attributable to owners of the Company (sen)	<u>17.18</u>	<u>12.47</u>	<u>10.85</u>

Notes:

The Condensed Consolidated Statement of Financial Position is prepared based on the consolidated results of the Group for the quarter ended 31 December 2012 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2011.

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

Innity Corporation Berhad

(Company No. 764555-D)
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Quarterly report on results for the 4th Quarter ended 31 December 2012 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	<----- Non-distributable ----->							
	Share Capital RM'000	Share Premium RM'000	Reverse acquisition reserve RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
Balance as at 1 January 2012								
- as previously reported	12,582	136	(2,512)	(71)	6,382	16,517	(41)	16,476
- prior year adjustments (Note 15)	-	-	-	-	(825)	(825)		(825)
- as restated	12,582	136	(2,512)	(71)	5,557	15,692	(41)	15,651
Profit/(Loss) for the period	-	-	-	-	2,032	2,032	(261)	1,771
Foreign currency translation differences for foreign operations	-	-	-	(166)	-	(166)	(13)	(179)
Total other comprehensive loss for the period	-	-	-	(166)	-	(166)	(13)	(179)
Total comprehensive income/(loss) for the year	-	-	-	(166)	2,032	1,866	(274)	1,592
Contributions by and distributions to owners of the Company								
- Issue of ordinary shares	1,258	4,961				6,219	-	6,219
Total transactions with owners of the Company	1,258	4,961	-	-	-	6,219	-	6,219
Balance as at 31 December 2012	13,840	5,097	(2,512)	(237)	7,589	23,777	(315)	23,462
-								
Balance as at 1 January 2011								
- as previously reported	12,582	136	(2,512)	(76)	4,086	14,216	117	14,333
- prior year adjustments (Note 15)	-	-	-	-	(560)	(560)	-	(560)
- as restated	12,582	136	(2,512)	(76)	3,526	13,656	117	13,773
Profit for the period								
- as previously reported					2,353	2,353	(81)	2,272
- prior year adjustments (Note 15)					(265)	(265)		(265)
- as restated					2,088	2,088	(81)	2,007
Foreign currency translation differences for foreign operations				1	-	1	(9)	(8)
Total other comprehensive profit/(loss) for the period				1	-	1	(9)	(8)
Total comprehensive income/(loss) for the year				1	2,088	2,089	(90)	1,999
Acquisition of subsidiaries	-	-	-	-	-	-	1	1
Acquisition of non-controlling interest	-	-	-	4	(57)	(53)	(69)	(122)
Balance as at 31 December 2011	12,582	136	(2,512)	(71)	5,557	15,692	(41)	15,651

The Condensed Consolidated Statement of Changes in Equity is prepared based on the consolidated results of the Group for the quarter ended 31 December 2012 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2011.

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

Innity Corporation Berhad

(Company No. 764555-D)
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Quarterly report on results for the 4th Quarter ended 31 December 2012 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	Current year For the period	Preceding year corresponding
	1 January 2012 to 31 December 2012 RM'000	1 January 2011 to 31 December 2011 RM'000
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Profit before tax	2,239	2,152
Adjustments for :		
Amortisation of development expenditure	879	948
Depreciation of property, plant and equipment	230	196
Retirement benefit	13	22
Interest expense	28	37
Interest income from fixed and short term deposits	(117)	(122)
Impairment losses on receivable	53	353
Loss on disposal of property, plant and equipment	2	-
Property, Plant and equipments written off	13	-
Share of losses in associates	153	-
Unrealised loss on foreign exchange	22	18
Operating profit before working capital changes	3,515	3,604
Decrease / (Increase) in trade and other receivables	2,312	(6,920)
(Decrease) / Increase in trade and other payables	(1,569)	4,288
Cash generated from operations	4,258	972
Income tax paid	(295)	(102)
Net cash generated from operating activities	3,963	870
CASH FLOWS USED IN INVESTING ACTIVITIES		
Development expenditure paid	(943)	(922)
Increase in Fixed Deposits pledge	(65)	(72)
Interest received	117	122
Purchase of property, plant and equipment	(375)	(245)
Sales proceeds from disposal of plant and equipment	2	-
Acquisition of subsidiaries	(657)	(122)
Investment in associates	(585)	-
Advances to an associates	(222)	(202)
Net cash used in investing activities	(2,728)	(1,441)
CASH FLOWS GENERATED FROM / (USED IN) FINANCING ACTIVITIES		
Interest paid	(28)	(37)
Net cash inflow on acquisition of subsidiaries		1
Proceeds from issue of share	7,144	-
Payment for listing expenses	(268)	-
Repayment of term loans	(31)	(29)
Net cash generated from / (used in) financing activities	6,817	(65)
Exchange difference	(180)	(2)
Net increase / (decrease) in cash and cash equivalents	7,872	(638)
Cash and cash equivalents at beginning of year	5,071	5,709
Cash and cash equivalents at end of year	12,943	5,071
	31 December 2012	31 December 2011
Cash and cash equivalents comprise:		
Cash and bank balances	5,199	1,803
Fixed and short term deposits	8,425	3,976
Less: Bank Overdraft	-	(92)
	13,624	5,687
Less: Fixed deposits pledged	(681)	(616)
	12,943	5,071

Notes:

The Condensed Consolidated Statement of Cash Flows is prepared based on the consolidated results of the Group for the quarter ended 31 December 2012 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2011.

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