

Innity Corporation Berhad

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



Quarterly report on results for the 4th Quarter ended 31 December 2013 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 October 2013 to 31 December 2013 RM'000	1 October 2012 to 31 December 2012 RM'000	1 January 2013 to 31 December 2013 RM'000	1 January 2012 to 31 December 2012 RM'000
Revenue	12,535	8,922	47,627	38,670
Direct costs	(5,624)	(4,662)	(26,258)	(21,911)
Gross profit	6,911	4,260	21,369	16,759
Other operating income	365	246	573	361
Operating expenses	(5,014)	(3,762)	(18,703)	(14,580)
Profit from operations	2,262	744	3,239	2,540
Finance cost	(5)	(6)	(25)	(28)
Share of loss of equity-accounted investees, net of tax	(74)	(151)	(370)	(153)
Profit before taxation	2,183	587	2,844	2,359
Tax expense	(508)	(336)	(651)	(452)
Profit for the period	1,675	251	2,193	1,907
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	245	15	(52)	(179)
Total other comprehensive profit/(loss) for the period	245	15	(52)	(179)
Comprehensive income for the period	1,920	266	2,141	1,728
Owners of the Company	1,677	323	2,406	2,124
Non Controlling Interests	(2)	(72)	(213)	(217)
Profit for the period	1,675	251	2,193	1,907
Comprehensive income/(loss) attributable to:				
Owners of the Company	1,914	330	2,353	1,954
Non Controlling Interest	6	(64)	(212)	(226)
Comprehensive income for the period	1,920	266	2,141	1,728
Basic earnings per ordinary share (sen)	1.21	0.25	1.74	1.64

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 2013 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2012.

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 2013 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31 December 2013 RM'000	Audited As at 31 December 2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,592	1,346
Development expenditure	3,032	2,805
Investment in associates	62	433
Deferred tax assets	39	41
	<u>4,725</u>	<u>4,625</u>
Current assets		
Trade receivables	19,210	14,096
Other receivables, deposit and prepayments	2,722	1,776
Tax Recoverable	22	51
Fixed deposits with licensed bank	1,702	681
Other Financial assets	5,307	7,743
Cash and bank balances	5,382	5,199
	<u>34,345</u>	<u>29,546</u>
TOTAL ASSETS	<u>39,070</u>	<u>34,171</u>
EQUITY AND LIABILITIES		
Share capital	13,840	13,840
Reserves	12,414	10,049
Total equity attributable to owners of the Company	<u>26,254</u>	<u>23,889</u>
Non Controlling Interest	(494)	(283)
Total equity	<u>25,760</u>	<u>23,606</u>
Non-current liabilities		
Deferred tax liabilities	283	175
Long term borrowings	252	286
Retirement benefits obligation	53	50
	<u>588</u>	<u>511</u>
Current liabilities		
Trade payables	8,633	6,781
Other payables and accruals	4,013	3,021
Short term borrowings	34	33
Tax payable	42	219
Total current liabilities	<u>12,722</u>	<u>10,054</u>
Total liabilities	<u>13,310</u>	<u>10,565</u>
TOTAL EQUITY AND LIABILITIES	<u>39,070</u>	<u>34,171</u>
Net assets per share attributable to owners of the Company (sen)	<u>18.97</u>	<u>17.26</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 2013 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2012.

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 2013 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	Non-distributable				Retained Earnings	Total	Non-controlling Interests	Total Equity
	Share Capital	Share Premium	Reverse acquisition reserve	Translation Reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2013	13,840	5,097	(2,512)	(241)	7,705	23,889	(283)	23,606
Foreign currency translation differences for foreign operations	-	-	-	(53)	-	(53)	1	(52)
Total other comprehensive loss for the period	-	-	-	(53)	-	(53)	1	(52)
Profit/(Loss) for the period	-	-	-	-	2,406	2,406	(213)	2,193
Total comprehensive income/(loss) for the year	-	-	-	(53)	2,406	2,353	(212)	2,141
Acquisition of Subsidiaries	-	-	-	-	-	-	1	1
Refund of share issue expenses	-	12	-	-	-	12	-	12
Balance as at 31 December 2013	13,840	5,109	(2,512)	(294)	10,111	26,254	(494)	25,760
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					(801)	(801)	(16)	(817)
	12,582	136	(2,512)	(71)	5,581	15,716	(57)	15,659
Foreign currency translation differences for foreign operations	-	-	-	(170)	-	(170)	(9)	(179)
Total other comprehensive loss for the period	-	-	-	(170)	-	(170)	(9)	(179)
Profit/(Loss) for the period	-	-	-	-	2,124	2,124	(217)	1,907
Total Comprehensive income /(Loss) for the period	-	-	-	(170)	2,124	1,954	(226)	1,728
Issue of ordinary shares	1,258	5,410	-	-	-	6,668	-	6,668
Share issue expenses		(449)				(449)		(449)
Balance as at 31 December 2012	13,840	5,097	(2,512)	(241)	7,705	23,889	(283)	23,606

Quarterly report on results for the 4th Quarter ended 31 December 2013

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	Current year For the period	Preceding year corresponding period
	1 January 2013 to 31 December 2013 RM'000	1 January 2012 to 31 December 2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	2,844	2,359
Adjustments for :		
Amortisation of development expenditure	1,036	879
Depreciation of property, plant and equipment	301	230
Fair value gain on other financial assets	-	(169)
Retirement benefit	3	17
Interest expense	25	28
Interest income	(177)	(117)
(Gain) / loss on disposal of property, plant and equipment	-	(1)
Property, Plant and equipments written off	6	13
Share of losses in equity-accounted investees	370	153
Impairment losses on other payable/trade receivables	-	53
Reversal of impairment losses on trade receivables	(6)	-
Gain on combination	(3)	-
Unrealised loss/(gain) on foreign exchange	370	(30)
Operating Profit before working capital changes	4,769	3,415
(Increase) / Decrease in trade and other receivables	(7,956)	1,410
Increase / (Decrease) in trade and other payables	4,861	(717)
Cash generated from operations	1,674	4,108
Income tax paid	(691)	(258)
Net cash generated from operating activities	983	3,850
CASH FLOWS GENERATED (USED IN) INVESTING ACTIVITIES		
Development expenditure paid	(1,263)	(1,069)
Fair value gain on other financial assets	-	169
Increase in Fixed Deposits pledge	(1,021)	(64)
Interest received	177	117
Purchase of plant and equipment	(561)	(398)
Proceeds from disposal of plant and equipment	7	18
Acquisition of subsidiaries	(340)	-
Investment in associates	-	(585)
(Advances to) / Repayments from associates	(485)	(199)
Net cash used in investing activities	(3,486)	(2,011)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Interest paid	(25)	(28)
Proceeds from issue of share	340	6,668
Refund / (Payment) for listing expenses	12	(449)
Repayment of term loans	(33)	(31)
Net cash used in financing activities	294	6,160
Exchange difference	(44)	(135)
Net (decrease) / increase in cash and cash equivalents	(2,253)	7,864
Cash and cash equivalents at beginning of year	12,942	5,078
Cash and cash equivalents at end of year	10,689	12,942
	31 December 2013	31 December 2012
Cash and cash equivalents comprise:		
Cash and bank balances	5,382	5,199
Fixed deposits with a licensed bank	1,702	681
Other financial assets	5,307	7,743
Less: Bank Overdraft	-	-
	12,391	13,623
Less: Fixed deposits pledged	(1,702)	(681)
	10,689	12,942

Notes:

The Condensed Consolidated Statement of Cash Flows is prepared based on the consolidated results of the Group for the quarter ended 31 December 2013 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2012.

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