

# Innity Corporation Berhad

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



## Quarterly report on results for the 1st Quarter ended 31 March 2014 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 January 2014 to 31 March 2014 RM'000	1 January 2013 to 31 March 2013 RM'000	1 January 2014 to 31 March 2014 RM'000	1 January 2013 to 31 March 2013 RM'000
Revenue	10,770	8,208	10,770	8,208
Direct costs	(6,248)	(4,785)	(6,248)	(4,785)
Gross profit	4,522	3,423	4,522	3,423
Other operating income	84	73	84	73
Operating expenses	(5,365)	(4,675)	(5,365)	(4,675)
Loss from operations	(759)	(1,179)	(759)	(1,179)
Finance cost	(1)	(6)	(1)	(6)
Share of loss of equity-accounted investees, net of tax	(6)	(68)	(6)	(68)
Loss before taxation	(766)	(1,253)	(766)	(1,253)
Tax expense	(44)	(2)	(44)	(2)
Loss for the period	(810)	(1,255)	(810)	(1,255)
<b>Items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation differences for foreign operations	127	(33)	127	(33)
<b>Total other comprehensive profit/(loss) for the period</b>	127	(33)	127	(33)
<b>Comprehensive loss for the period</b>	(683)	(1,288)	(683)	(1,288)
<b>Loss attributable to:</b>				
Owners of the Company	(763)	(1,110)	(763)	(1,110)
Non Controlling Interests	(47)	(145)	(47)	(145)
<b>Loss for the period</b>	(810)	(1,255)	(810)	(1,255)
<b>Comprehensive loss attributable to:</b>				
Owners of the Company	(658)	(1,141)	(658)	(1,141)
Non Controlling Interest	(25)	(147)	(25)	(147)
<b>Comprehensive loss for the period</b>	(683)	(1,288)	(683)	(1,288)
<b>Basic earnings per ordinary share (sen)</b>	(0.55)	(0.84)	(0.55)	(0.84)

### 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 March 2014 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2013.

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 1st Quarter ended 31 March 2014 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31 March 2014 RM'000	Audited As at 31 December 2013 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,556	1,593
Development expenditure	3,057	3,032
Investment in associates	56	62
Deferred tax assets	40	39
	4,709	4,726
<b>Current assets</b>		
Trade receivables	17,666	20,015
Other receivables, deposit and prepayments	3,375	2,462
Tax Recoverable	28	24
Fixed deposits with licensed bank	1,707	1,702
Other Financial assets	5,338	5,307
Cash and bank balances	6,105	5,382
	34,219	34,892
<b>TOTAL ASSETS</b>	<b>38,928</b>	<b>39,618</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	13,840	13,840
Reserves	11,657	12,315
<b>Total equity attributable to owners of the Company</b>	<b>25,497</b>	<b>26,155</b>
<b>Non Controlling Interest</b>	(553)	(528)
<b>Total equity</b>	<b>24,944</b>	<b>25,627</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	331	331
Long term borrowings	236	252
Retirement benefits obligation	56	53
	623	636
<b>Current liabilities</b>		
Trade payables	8,641	9,456
Other payables and accruals	3,961	3,476
Short term borrowings	732	34
Tax payable	27	389
<b>Total current liabilities</b>	<b>13,361</b>	<b>13,355</b>
<b>Total liabilities</b>	<b>13,984</b>	<b>13,991</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,928</b>	<b>39,618</b>
<b>Net assets per share attributable to owners of the Company (sen)</b>	<b>18.42</b>	<b>18.90</b>

Notes:

The Condensed Consolidated Statement of Financial Position is prepared based on the consolidated results of the Group for the quarter ended 31 March 2014 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2013.

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 1st Quarter ended 31 March 2014 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	←----- Non-distributable ----->				Retained Earnings RM'000	Equity attributable to owners of the Company RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Reverse acquisition reserve RM'000	Foreign currency translation reserve RM'000				
<b>Balance as at 1 January 2014</b>	13,840	5,097	(2,512)	(414)	10,144	26,155	(528)	25,627
Foreign currency translation differences for foreign operations	-	-	-	105	-	105	22	127
Total other comprehensive income for the period	-	-	-	105	-	105	22	127
Loss for the period	-	-	-	-	(763)	(763)	(47)	(810)
Total comprehensive income/(loss) for the year	-	-	-	105	(763)	(658)	(25)	(683)
<b>Balance as at 31 March 2014</b>	<b>13,840</b>	<b>5,097</b>	<b>(2,512)</b>	<b>(309)</b>	<b>9,381</b>	<b>25,497</b>	<b>(553)</b>	<b>24,944</b>
			-					
<b>Balance as at 1 January 2013</b>	13,840	5,097	(2,512)	(241)	7,705	23,889	(283)	23,606
Foreign currency translation differences for foreign operations	-	-	-	(31)	-	(31)	(2)	(33)
Total other comprehensive loss for the period	-	-	-	(31)	-	(31)	(2)	(33)
Loss for the period	-	-	-	-	(1,110)	(1,110)	(145)	(1,255)
Total Comprehensive Loss for the period	-	-	-	(31)	(1,110)	(1,141)	(147)	(1,288)
<b>Balance as at 31 March 2013</b>	<b>13,840</b>	<b>5,097</b>	<b>(2,512)</b>	<b>(272)</b>	<b>6,595</b>	<b>22,748</b>	<b>(430)</b>	<b>22,318</b>

## Quarterly report on results for the 1st Quarter ended 31 March 2014 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

*(The figures have not been audited)*

	Current year For the period	Preceding year corresponding period
	1 January 2014 to 31 March 2014 RM'000	1 January 2013 to 31 March 2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(766)	(1,253)
Adjustments for :		
Amortisation of development expenditure	232	220
Depreciation of property, plant and equipment	73	55
Interest expense	1	6
Interest income	(46)	(61)
(Gain) / loss on disposal of property, plant and equipment	-	-
Share of losses in equity-accounted investees	6	184
Unrealised loss/(gain) on foreign exchange	-	(5)
<b>Operating Profit before working capital changes</b>	<b>(500)</b>	<b>(854)</b>
(Increase) / Decrease in trade and other receivables	892	(103)
Increase / (Decrease) in trade and other payables	(207)	1,557
<b>Cash generated from operations</b>	<b>185</b>	<b>600</b>
Income tax paid	(46)	(2)
<b>Net cash generated from operating activities</b>	<b>139</b>	<b>598</b>
<b>CASH FLOWS (USED IN) INVESTING ACTIVITIES</b>		
Development expenditure paid	(257)	(121)
Increase in Fixed Deposits pledge	(5)	(1,005)
Interest received	46	61
Purchase of plant and equipment	(35)	(95)
Proceeds from disposal of plant and equipment	1	-
(Advances to) / Repayments from associates	61	(115)
<b>Net cash used in investing activities</b>	<b>(189)</b>	<b>(1,275)</b>
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>		
Interest paid	(1)	(6)
Repayment of term loans	(15)	(8)
<b>Net cash used in financing activities</b>	<b>(16)</b>	<b>(14)</b>
Exchange difference	122	(93)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>56</b>	<b>(784)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>10,689</b>	<b>12,943</b>
<b>Cash and cash equivalents at end of year</b>	<b>10,745</b>	<b>12,159</b>
	<b>31 March 2014</b>	<b>31 March 2013</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	6,105	5,397
Fixed deposits with a licensed bank	1,707	1,686
Other financial assets	5,338	6,762
Less: Bank Overdraft	(698)	-
	12,452	13,845
Less: Fixed deposits pledged	(1,707)	(1,686)
	10,745	12,159

Notes:

The Condensed Consolidated Statement of Cash Flows is prepared based on the consolidated results of the Group for the quarter ended 31 March 2014 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2013.

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