

# Innity Corporation Berhad

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



## Quarterly report on results for the 2nd Quarter ended 30 June 2016 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 April 2016 to 30 June 2016 RM'000	1 April 2015 to 30 June 2015 RM'000	1 January 2016 to 30 June 2016 RM'000	1 January 2015 to 30 June 2015 RM'000
Revenue	22,634	18,792	43,931	32,210
Direct costs	(12,384)	(11,762)	(24,640)	(19,436)
Gross profit	10,250	7,030	19,291	12,774
Other operating income	778	560	1,767	1,258
Operating expenses	(8,831)	(6,701)	(19,587)	(13,637)
Profit from operations	2,197	889	1,471	395
Finance cost	(10)	(4)	(14)	(11)
Share of profit/(loss) of equity-accounted investees, net of tax	51	26	260	(20)
Profit before taxation	2,238	911	1,717	364
Tax expense	(570)	(66)	(932)	(236)
Profit for the period	1,668	845	785	128
<b>Items that are or may be reclassified subsequently to profit or loss</b>				
Foreign currency translation differences for foreign operations	146	136	(283)	171
<b>Total other comprehensive income/(loss) for the period</b>	146	136	(283)	171
<b>Total Comprehensive income for the period</b>	1,814	981	502	299
<b>Profit/(loss) attributable to:</b>				
Owners of the Company	1,499	862	673	137
Non Controlling Interests	169	(17)	112	(9)
<b>Profit for the period</b>	1,668	845	785	128
<b>Total Comprehensive income/(loss) attributable to:</b>				
Owners of the Company	1,644	999	387	323
Non Controlling Interest	170	(18)	115	(24)
<b>Total Comprehensive income for the period</b>	1,814	981	502	299
<b>Basic earnings per ordinary share (sen)</b>	1.08	0.62	0.49	0.10

Notes:

The Condensed Consolidated Statement of Profit or Loss and Other 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 2016 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2015.

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 2016 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*(The figures have not been audited)*

	Unaudited As at 30 June 2016 RM'000	Audited As at 31 December 2015 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,956	2,048
Development expenditure	4,010	3,805
Goodwill	148	148
Investment in associates	562	302
Deferred tax assets	300	303
	6,976	6,606
<b>Current assets</b>		
Trade receivables	27,525	33,446
Other receivables, deposits and prepayments	3,072	3,934
Tax Recoverable	337	3
Fixed deposits with licensed bank	3,360	1,810
Other Financial assets	114	1,183
Cash and bank balances	17,331	11,311
	51,739	51,687
<b>TOTAL ASSETS</b>	58,715	58,293
<b>EQUITY AND LIABILITIES</b>		
Share capital	13,840	13,840
Reserves	17,168	16,781
<b>Total equity attributable to owners of the Company</b>	31,008	30,621
<b>Non controlling interest</b>	(24)	(139)
<b>Total equity</b>	30,984	30,482
<b>Non-current liabilities</b>		
Deferred tax liabilities	635	635
Long term borrowings	156	170
Retirement benefits obligation	168	172
	959	977
<b>Current liabilities</b>		
Trade payables	18,398	18,551
Other payables and accruals	7,604	7,839
Short term borrowings	30	35
Tax payable	740	409
<b>Total current liabilities</b>	26,772	26,834
<b>Total liabilities</b>	27,731	27,811
<b>TOTAL EQUITY AND LIABILITIES</b>	58,715	58,293
<b>Net assets per share attributable to owners of the Company (sen)</b>	22.40	22.13

Notes:

The Condensed Consolidated Statement of Financial Position is prepared based on the consolidated results of the Group for the quarter ended 30 June 2016 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2015.

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 2016 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	←----- Non-distributable ----->					Retained Earnings	Equity attributable to owners of the Company	Non-controlling Interests	Total Equity
	Share Capital	Share Premium	Reverse acquisition reserve	Foreign currency translation reserve	Other reserve				
	RM'000	RM'000	RM'000	RM'000	RM'000				
<b>Balance as at 1 January 2016</b>	13,840	5,097	(2,512)	442	248	13,506	30,621	(139)	30,482
Foreign currency translation differences for foreign operations	-	-	-	(286)	-	-	(286)	3	(283)
Total other comprehensive income/(loss) for the period	-	-	-	(286)	-	-	(286)	3	(283)
Profit for the period	-	-	-	-	-	673	673	112	785
Total comprehensive income/(loss) for the year	-	-	-	(286)	-	673	387	115	502
<b>Balance as at 30 June 2016</b>	<b>13,840</b>	<b>5,097</b>	<b>(2,512)</b>	<b>156</b>	<b>248</b>	<b>14,179</b>	<b>31,008</b>	<b>(24)</b>	<b>30,984</b>
<b>Balance as at 1 January 2015</b>	13,840	5,097	(2,512)	(318)	248	10,801	27,156	(530)	26,626
Foreign currency translation differences for foreign operations	-	-	-	186	-	-	186	(15)	171
Total other comprehensive income/(loss) for the period	-	-	-	186	-	-	186	(15)	171
Profit/(Loss) for the period	-	-	-	-	-	137	137	(9)	128
Total comprehensive income/(loss) for the period	-	-	-	186	-	137	323	(24)	299
Change in ownership interests in a subsidiary	-	-	-	-	-	(272)	(272)	272	-
<b>Balance as at 30 June 2015</b>	<b>13,840</b>	<b>5,097</b>	<b>(2,512)</b>	<b>(132)</b>	<b>248</b>	<b>10,666</b>	<b>27,207</b>	<b>(282)</b>	<b>26,925</b>

The Condensed Consolidated Statement of Changes in Equity is prepared based on the consolidated results of the Group for the quarter ended 30 June 2016 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2015.

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## Quarterly report on results for the 2nd Quarter ended 30 June 2016 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	Current year For the period	Preceding year corresponding period
	1 January 2016 to 30 June 2016 RM'000	1 January 2015 to 30 June 2015 RM'000
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>		
Profit before tax	1,717	364
Adjustments for :		
Amortisation of development expenditure	570	577
Depreciation of property, plant and equipment	237	173
Property, plant and equipment written off	11	-
Loss on re-measurement of previously held stake	-	25
Loss on disposal of plant and equipment	(1)	2
Interest expense	14	11
Interest income	(84)	(109)
Share of (profit)/loss in equity-accounted associates	(260)	20
Unrealised loss/(gain) on foreign exchange, net	683	(271)
<b>Operating profit/(loss) before working capital changes</b>	<b>2,887</b>	<b>792</b>
Decrease/(Increase) in trade and other receivables	6,490	(5,737)
(Decrease)/Increase in trade and other payables	(879)	7,648
<b>Cash generated from operations</b>	<b>8,498</b>	<b>2,703</b>
Income tax paid	(935)	(247)
Income tax refunded	4	-
<b>Net cash generated from operating activities</b>	<b>7,567</b>	<b>2,456</b>
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>		
Development expenditure paid	(775)	(792)
Increase in Fixed Deposits pledge	(1,551)	(45)
Interest received	85	109
Purchase of plant and equipment	(156)	(507)
Proceeds from disposal of plant and equipment	3	2
Proceeds from capitalisation of debts	-	500
Investment in subsidiaries	-	(590)
Acquisition of subsidiary, net of cash and cash equivalent acquired	-	2
Repayments from associates	103	422
<b>Net cash used in investing activities</b>	<b>(2,291)</b>	<b>(899)</b>
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		
Interest paid	(14)	(11)
Proceeds from issue of share	-	90
Repayment of term loans	(20)	(19)
<b>Net cash (used in)/ from financing activities</b>	<b>(34)</b>	<b>60</b>
Exchange difference	(291)	95
<b>Net increase in cash and cash equivalents</b>	<b>4,951</b>	<b>1,712</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>12,494</b>	<b>9,432</b>
<b>Cash and cash equivalents at end of year</b>	<b>17,445</b>	<b>11,144</b>
	<b>30 June 2016</b>	<b>30 June 2015</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and bank balances	17,331	8,990
Fixed deposits with a licensed bank	3,360	1,799
Other financial assets	114	2,154
	<b>20,805</b>	<b>12,943</b>
Less: Fixed deposits pledged	(3,360)	(1,799)
	<b>17,445</b>	<b>11,144</b>

Notes:

The Condensed Consolidated Statement of Cash Flows is prepared based on the consolidated results of the Group for the quarter ended 30 June 2016 and is to be read in conjunction with the audited financial statements for the year ended 31 December 2015.

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