

Innity Corporation Berhad

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



Quarterly report on results for the 3rd Quarter ended 30 September 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 July 2016 to 30 September 2016 RM'000	1 July 2015 to 30 September 2015 RM'000	1 January 2016 to 30 September 2016 RM'000	1 January 2015 to 30 September 2015 RM'000
Revenue	25,665	18,583	69,596	50,793
Direct costs	(13,971)	(11,062)	(38,611)	(30,498)
Gross profit	11,694	7,521	30,985	20,295
Other operating income	488	1,490	2,255	2,748
Operating expenses	(8,268)	(7,077)	(27,855)	(20,714)
Profit from operations	3,914	1,934	5,385	2,329
Finance cost	(3)	(4)	(17)	(15)
Share of profit/(loss) of equity-accounted investees, net of tax	110	(114)	370	(134)
Profit before taxation	4,021	1,816	5,738	2,180
Tax expense	(748)	(320)	(1,680)	(556)
Profit for the period	3,273	1,496	4,058	1,624
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	32	726	(251)	897
Total other comprehensive income/(loss) for the period	32	726	(251)	897
Total Comprehensive income for the period	3,305	2,222	3,807	2,521
Profit attributable to:				
Owners of the Company	2,914	1,321	3,587	1,458
Non Controlling Interests	359	175	471	166
Profit for the period	3,273	1,496	4,058	1,624
Total Comprehensive income attributable to:				
Owners of the Company	2,963	2,046	3,350	2,369
Non Controlling Interest	342	176	457	152
Total Comprehensive income for the period	3,305	2,222	3,807	2,521
Basic earnings per ordinary share (sen)	2.11	0.95	2.59	1.05

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 September 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 3rd Quarter ended 30 September 2016 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(The figures have not been audited)

	Unaudited As at 30 September 2016 RM'000	Audited As at 31 December 2015 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,921	2,048
Development expenditure	4,127	3,805
Goodwill	148	148
Investment in associates	672	302
Deferred tax assets	310	303
	7,178	6,606
Current assets		
Trade receivables	31,357	33,446
Other receivables, deposits and prepayments	3,280	3,934
Tax Recoverable	360	3
Fixed deposits with licensed bank	4,350	1,810
Other Financial assets	114	1,183
Cash and bank balances	17,025	11,311
	56,486	51,687
TOTAL ASSETS	63,664	58,293
EQUITY AND LIABILITIES		
Share capital	13,840	13,840
Reserves	20,131	16,781
Total equity attributable to owners of the Company	33,971	30,621
Non controlling interest	318	(139)
Total equity	34,289	30,482
Non-current liabilities		
Deferred tax liabilities	635	635
Long term borrowings	148	170
Retirement benefits obligation	175	172
	958	977
Current liabilities		
Trade payables	20,589	18,551
Other payables and accruals	6,751	7,839
Short term borrowings	30	35
Tax payable	1,047	409
Total current liabilities	28,417	26,834
Total liabilities	29,375	27,811
TOTAL EQUITY AND LIABILITIES	63,664	58,293
Net assets per share attributable to owners of the Company (sen)	24.55	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 September 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 3rd Quarter ended 30 September 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				
Balance as at 1 January 2016	13,840	5,097	(2,512)	442	248	13,506	30,621	(139)	30,482
Foreign currency translation differences for foreign operations	-	-	-	(237)	-	-	(237)	(14)	(251)
Total other comprehensive income/(loss) for the period	-	-	-	(237)	-	-	(237)	(14)	(251)
Profit for the period	-	-	-	-	-	3,587	3,587	471	4,058
Total comprehensive income/(loss) for the year	-	-	-	(237)	-	3,587	3,350	457	3,807
Balance as at 30 September 2016	13,840	5,097	(2,512)	205	248	17,093	33,971	318	34,289
Balance as at 1 January 2015	13,840	5,097	(2,512)	(318)	248	10,801	27,156	(530)	26,626
Foreign currency translation differences for foreign operations	-	-	-	911	-	-	911	(14)	897
Total other comprehensive income/(loss) for the period	-	-	-	911	-	-	911	(14)	897
Profit for the period	-	-	-	-	-	1,458	1,458	166	1,624
Total comprehensive income for the period	-	-	-	911	-	1,458	2,369	152	2,521
Change in ownership interests in a subsidiary	-	-	-	-	-	(272)	(272)	272	-
Balance as at 30 September 2015	13,840	5,097	(2,512)	593	248	11,987	29,253	(106)	29,147

The Condensed Consolidated Statement of Changes in Equity is prepared based on the consolidated results of the Group for the quarter ended 30 September 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 3rd Quarter ended 30 September 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 September 2016 RM'000	1 January 2015 to 30 September 2015 RM'000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax	5,738	2,180
Adjustments for :		
Amortisation of development expenditure	853	865
Depreciation of property, plant and equipment	361	286
Property, plant and equipment written off	11	-
Loss on re-measurement of previously held stake	-	25
Gain on disposal of plant and equipment	(1)	-
Interest expense	17	15
Interest income	(120)	(151)
Share of (profit)/loss in equity-accounted associates	(370)	134
Unrealised loss/(gain) on foreign exchange, net	722	(969)
Operating profit before working capital changes	7,211	2,385
Decrease/(Increase) in trade and other receivables	2,522	(9,520)
Increase in trade and other payables	418	11,596
Cash generated from operations	10,151	4,461
Income tax paid	(1,409)	(342)
Income tax refunded	4	-
Net cash generated from operating activities	8,746	4,119
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Development expenditure paid	(1,174)	(1,187)
Increase in Fixed Deposits pledge	(2,540)	(550)
Interest received	120	151
Purchase of plant and equipment	(221)	(706)
Proceeds from disposal of plant and equipment	3	4
Proceeds from capitalisation of debts	-	500
Increase in investment in subsidiaries	-	(590)
Acquisition of subsidiary, net of cash and cash equivalent acquired	-	2
Repayments from associates	30	655
Net cash used in investing activities	(3,782)	(1,721)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
Interest paid	(17)	(15)
Proceeds from issue of share	-	90
Repayment of term loans	(27)	(28)
Net cash (used in)/ from financing activities	(44)	47
Exchange difference	(275)	714
Net increase in cash and cash equivalents	4,645	3,159
Cash and cash equivalents at beginning of year	12,494	9,432
Cash and cash equivalents at end of year	17,139	12,591
	30 September 2016	30 September 2015
Cash and cash equivalents comprise:		
Cash and bank balances	17,025	10,422
Fixed deposits with a licensed bank	4,350	2,304
Other financial assets	114	2,169
	21,489	14,895
Less: Fixed deposits pledged	(4,350)	(2,304)
	17,139	12,591

Notes:

The Condensed Consolidated Statement of Cash Flows is prepared based on the consolidated results of the Group for the quarter ended 30 September 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.