A1 NOTES TO INTERIM FINANCIAL REPORT

Basis of preparation of Interim Financial Report

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard 134 (MFRS 134): "Interim Financial Reporting" and paragraph 9.22 of Bursa Malaysia Securities Berhad's ("Bursa Securities") ACE Market Listing Requirements ("ACE LR"). The interim financial statements also comply with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board.

The condensed consolidated interim financial report should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 December 2016. The explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of Innity Corporation Berhad ("ICB") and its subsidiary companies ("Group") since the financial period ended 31 December 2016.

A2 Significant accounting policies

The Group's significant accounting policies adopted in the preparation of interim financial report are consistent with the audited financial statements for the year ended 31 December 2016 other than the application of the amendments to MFRSs which became effective for annual period beginning on 1 January 2017. The amendments to MFRSs do not result in material impact on the Group's accounting policies.

The following MFRSs and amendments to MFRSs were issued by the MASB but not yet effective and have not been adopted by the Group:-

Standard	Title	Effective date
Amendment to MFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018

The above mentioned standards, amendments to published standards and interpretations do not result in significant changes in Group's accounting policies upon their initial application except the following MFRSs:-

Standard	Title	Effective date
MFRS 1	Amendments to MFRS 1	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
	Clarifications to MFRS 15	1 January 2018
MFRS 9	Financial Instruments	1 January 2018
MFRS 128	Amendments to MFRS 128	1 January 2018
MFRS 16	Leases	1 January 2019

The Group is in the process of making an assessment of what the impact of the above new standards is expected to be in the period of initial application.

A3 Auditor's report on preceding annual financial statements

There was no audit qualification on the financial statements of the Group for the financial year ended 31 December 2016.

A4 Seasonal or cyclical factors

In general, online advertising activities would pick up during the second half of the calendar year especially towards year end.

A5 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the current quarter or financial year-to-date.

A6 Material changes in estimates

There were no changes in estimates that have a material effect in the current financial quarter or financial year-to-date results.

A7 Debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities, share buy backs, share cancellation, shares held as treasury shares and resale of treasury shares for the current financial quarter.

A8 Dividend paid

There were no dividends paid by the Company during the current financial quarter.

A9 Segment Information

The Company's core activities are principally for the provision of technology-based online advertising solutions and other internet related services. The segment information is presented in respect of the Group's geographical segments which are based on the Group's management and internal reporting structure.

The Group operates mainly in nine geographical areas as follows:

i) Malaysia;
ii) Singapore;
iii) Vietnam;
iv) Indonesia;
v) Hong Kong and China;
vi) Philippines
vii) Taiwan and
viii) Korea

A9 Segmental Information (Cont'd)

The segment's financial statements in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

The assets and liabilities of foreign operations are translated into Ringgit Malaysia at the rates of exchange ruling at the reporting date and income and expenses are translated at the dates of transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. However, if the operation is a non-wholly owned subsidiary then the relevant proportionate share of the translation difference is allocated to the non controlling interest.

The principal exchange rates for every unit of foreign currency used are as follows:

	30 June 2017		**30 June 2016**	
	Closing rate	**Average rate**	**Closing rate**	**Average rate**
	RM	**RM**	**RM**	**RM**
1 Singapore Dollar	3.117	3.130	2.988	2.969
1 Hong Kong Dollar	0.550	0.565	0.516	0.527
1 Chinese Renminbi	0.634	0.637	0.607	0.627
100 Indonesian Rupiah	0.032	0.030	0.030	0.030
100 Thai Baht	-	12.644	-	11.560
100 Philippines Peso	8.507	8.793	8.513	8.740
100 Vietnamese Dong	0.019	0.020	0.018	0.020
100 New Taiwan Dollar	14.120	14.311	12.423	12.510
100 South Korean Won	0.0380	0.384	-	-

A9 Segment Information (Cont'd)

Cumulative Quarter Ended 30/6/2017
(The figures have not been audited)

Geographical Segments	Malaysia	Singapore	Vietnam	Indonesia	Hong Kong and China	Philippines	Taiwan	Korea	Inter-segment Eliminations	Group
Revenue	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue from external customers	19,408	6,494	1,417	3,604	12,607	3,507	2,708		-	49,745
Inter-Segment Revenue	2,383	(105)	-	75	59	103	2		(2,517)	-
Total Revenue	21,791	6,389	1,417	3,679	12,666	3,610	2,710		(2,517)	49,745
Segment Results										
Results from operating activities	(1,933)	1,012	(60)	20	(1,025)	(113)	(482)	(97)	-	(2,678)
Share of profit of equity-accounted associates, net of tax	233	-	-	-	-	-	-		-	233
Finance costs	(6)	-	-	-	-	-	-		-	(6)
Profit/(Loss) before tax	(1,706)	1,012	(60)	20	(1,025)	(113)	(482)	(97)	-	(2,451)
Tax expenses	(248)	-	-	-	-	-	-	-	-	(248)
Profit/(Loss) for the period	(1,953)	1,012	(60)	20	(1,025)	(114)	(482)	(97)	-	(2,699)
Assets										
Segments assets	26,787	6,121	2,622	7,383	9,776	8,103	3,309	865	-	64,966
Liabilities										
Segment Liabilities	13,886	1,861	805	2,918	6,92	3,293	2,244	3	-	31,932

A9 Segment Information (Cont'd)

Cumulative Quarter Ended 30/6/2017
(The figures have not been audited)

Geographical Segments Revenue	**Singapore SGD'000**	**Vietnam VND'Mil**	**Indonesia IDR'Mil**	**Hong Kong HKD'000**	**China CNY'000**	**Philippines PHP'000**	**Taiwan TWD'000**	**Korea WON'000**
Revenue from external customers	2,075	7,085	12,012	22,314	-	39,889	18,921	-
Inter-Segment Revenue	(34)	-	252	105	-	1,177	13	-
Total Revenue	2,041	7,085	12,264	22,419	-	41,066	18,934	-
Segment Results								
Results from operating activities	323	(299)	65	(1,727)	(78)	(1,279)	(3,368)	(25,017)
Share of profit of equity-accounted associates, net of tax	-	-	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-	-	-
Profit/(loss) before tax	323	(299)	65	(1,727)	(78)	(1,279)	(3,368)	(25,017)
Tax expenses	-	-	-	-	-	-	-	-
Profit/(Loss) for the period	323	(299)	65	(1,727)	(78)	(1,279)	(3,368)	(25,017)
Assets								
Segments assets	1,964	13,798	23,071	17,012	661	95,255	23,438	230,816
Liabilities								
Segment Liabilities	597	4,238	9,120	12,523	54	38,708	15,892	813

A9 **Segment Information (Cont'd)**

Cumulative Quarter Ended 30/6/2016
(The figures have not been audited)

Geographical Segments	**Malaysia**	**Singapore**	**Vietnam**	**Indonesia**	**Hong Kong and China**	**Philippines**	**Taiwan**	**Inter-segment Eliminations**	**Group**
Revenue	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue from external customers	14,275	3,924	853	6,954	11,158	6,103	664	-	43,931
Inter-Segment Revenue	5,782	31	32	-	57	20	-	(5,922)	-
Total Revenue	20,057	3,955	885	6,954	11,215	6,123	664	(5,922)	43,931
Segment Results									
Results from operating activities	(2,588)	104	(346)	744	1,809	2,144	(396)	-	1,471
Share of profit of equity-accounted associates, net of tax	260	-	-	-	-	-	-	-	260
Finance costs	(14)	-	-	-	-	-	-	-	(14)
Profit/(Loss) before tax	(2,342)	104	(346)	744	1,809	2,144	(396)	-	1,717
Tax expenses	122	-	-	(143)	(279)	(632)	-	-	(932)
Profit/(Loss) for the period	(2,220)	104	(346)	601	1,530	1,512	(396)	-	785
Assets									
Segments assets	24,762	4,591	1,653	8,192	8,596	9,650	1,271	-	58,715
Liabilities									
Segment Liabilities	11,097	1,497	677	3,476	5,594	5,048	342	-	27,731

A9 Segment Information (Cont'd)

Cumulative Quarter Ended 30/6/2016
(The figures have not been audited)

Geographical Segments Revenue	**Singapore SGD'000**	**Vietnam VND'Mil**	**Indonesia IDR'Mil**	**Hong Kong HKD'000**	**China CNY'000**	**Philippines PHP'000**	**Taiwan TWD'000**
Revenue from external customers	1,322	4,269	23,179	21,173	-	69,823	5,312
Inter-Segment Revenue	11	161	-	107	-	232	-
Total Revenue	1,333	4,430	23,179	21,280	-	70,055	5,312
Segment Results							
Results from operating activities	35	(1,728)	2,479	3,588	(155)	24,530	(3,168)
Share of profit of equity-accounted associates, net of tax	-	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-	-
Profit/(Loss) before tax	35	(1,728)	2,479	3,588	(155)	24,530	(3,168)
Tax expenses	-	-	(477)	(529)	-	(7,231)	-
Profit/(Loss) for the period	35	(1,728)	2,002	3,059	(155)	17,299	(3,168)
Assets							
Segments assets	1,536	9,185	27,306	15,726	793	113,349	10,234
Liabilities							
Segment Liabilities	501	3,761	11,586	10,742	84	59,294	,2,743

A10 Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current quarter.

A11 Material events subsequent to the end of the quarter

There were no material events subsequent to the end of the current reporting period.

A12 Changes in the composition of the Group

During the current reporting period, the following change in composition of group was effected:-

On 4th April 2017, Innity Sdn Bhd, a wholly-owned subsidiary of ICB, had incorporated a wholly owned subsidiary in the Republic of Korea, namely Innity Korea Co., Ltd("Innity Korea"). The registered capital is South Korean Won 240,000,000.

The principal activity of Innity Korea is to provide online advertising and digital solutions.

The incorporation of Innity Korea will not have any material effect on the share capital, shareholding structure, net assets per share and earnings per share of ICB.

Saved as disclosed above, there were no changes in the composition of the Group in the quarter under review.

A13 Contingent liabilities

The Directors are of the opinion that the Group has no contingent liabilities which, upon crystallisation would have a material impact on the financial position and business of the Group as at reporting date.

A14 Capital Commitment

The Group has no material capital commitments in respect of property, plant and equipment.

A15 Significant related party transactions

The following were the significant related party transactions:-

	Cumulative Year to date	
	30 June 2017	**30 June 2016**
	RM	**RM**
The use of DAC Platform and "MarketOne" and "Yield One"	-	39,479
Sales of advertisement space	195,308	428,954
Purchase of advertisement space	34,037	163,145
Purchase of online recruitment services	1,201	1,232
Bookeeping fees	6,000	-
Royalty fees	92,589	-

A15 Significant related party transactions (Cont'd)

The following were the significant related party transactions:-

	Cumulative Year to date	
	30 June 2017	**30 June 2016**
	RM	**RM**
Referral fees in relation to sales of advertisement spaces	512,282	-
Management fees in relation to backend support staff costs which include Corporate Strategy, Finance, Business Development, Operation and Creative team based on time allocation of each individual	80,183	-
	921,600	632,810

The above transactions had been entered into in the ordinary course of business on normal commercial terms not materially different from those obtainable in transactions with unrelated parties.

B DISCLOSURE REQUIREMENTS AS SET OUT IN APPENDIX 9B OF BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS FOR THE ACE MARKET

B1 Review of performance

(i) Group's Overview of Revenue, Gross profit and Profit Before tax

During the financial period under review, the Group registered revenue of RM27.15 million and Profit Before Tax ("PBT") of RM1.25 million compared to revenue of RM22.63 million and PBT of RM2.24 million respectively in the previous corresponding period. Malaysia segment commanded a major increase of the group's revenue. The segment contributed 83% growth in the Group's revenue, followed by Taiwan, Singapore and Vietnam operations. An established presence in the market coupled with better resource planning have contributed to stable growth year-on-year. Despite a 20% increase in Group's revenue, the PBT dropped 44%. The decline in PBT was primarily due to lower product margin, increase staff costs, unrealised and realised losses in foreign currency which led to higher operating spending in the current period.

(ii) Group's Overview of Expenses

Other income

Other income declined by 91% or RM707,000 to RM71,000 in current quarter as compared to the preceding year's same quarter. The decline in other income was mainly attributed to a lower unrealized and realized forex gain recorded. The net realized forex losses after setting off realized gain of RM282,000, mainly arose from customer, intercompanies' settlement and revaluation of US dollar bank balances which were impacted by weaker US dollar against MYR. Unrealised losses after setting off unrealized gain of RM134,000 was mainly due to unsettled Inter-company debts from foreign subsidiaries to the Malaysian subsidiary.

Operating expenses

The Group's other operating expenses consists of staff costs, amortization and depreciation costs, selling and distribution costs and administration expenses.

Operating expenses increased from RM8.83 million in previous year's 2nd Quarter to RM10.15 million in the current reporting quarter. The increase of 15% or RM1.32 million was principally due to increased staff costs, the additional marketing and sales resources incurred were specifically to focus in expanding core product offerings and market share.

(iii) Group's Overview of liquidity and financial ratio

The Group's principle sources of liquidity have been cash from operations, short term borrowings in the form of term loan and overdraft, where long term borrowings were in the form of term loans.

The following summaries the various source of cash flow as at 30 June 2017 against 30 June 2016:

	Current year	**Preceding year corresponding period**
	30 June 2017	**30 June 2016**
	(RM'000)	**(RM'000)**
Net cash generated from/(used in)		
-Operating activities	(1,437)	7,567
-investing activities	(1,342)	(791)
-Financing activities	346	(34)
Net increase/(decrease) in cash and cash equivalents	(2,433)	6,742

B1 Review of performance (Cont'd)

(iii) Group's Overview of liquidity and financial ratio

The Group has cash and cash equivalents amounting to RM16.5 million as at 30 June 2017 as compared to RM18.9 million in 30 June 2016. The debts to equity ratio has dropped 50% following the monthly term loans repayment.

(iv) Group's Overview of operating segments

Malaysia segment posted a revenue of RM10.77 million in the quarter under review, surpassing preceding year's corresponding's quarter revenue of RM7.02 million by approximately 53%. The segment continues to benefit from the higher sales volume generated from an overseas client and existing clients. The segment's PBT increased by 67% compared to the same quarter last year, this was in tandem with the increase in revenue.

Singapore segment for the current quarter recorded revenue and PBT of RM2.77 million and RM259,000 representing 58% increase in revenue and 83% in PBT respectively. The restructuring efforts on product strategy coupled with increased spending from existing clienteles towards their financial year ended in 2nd quarter were the contributing factors to the rise in revenue. The improved PBT was in tandem with the higher revenue.

For the quarter under review, Indonesia segment revenue dropped 50% from RM3.72 million to RM1.84 million. The comparable average order value per campaign had dropped 50% as compared to the prior year's same quarter. The segment is undertaking a transitional period to realign the sales strategy and sales force by increasing service level, introducing new products to existing clienteles and tap into local brands and local agencies. Profit before tax (PBT) was reduced from RM594,000 to Loss Before Tax (LBT) of RM8,000, representing 101% decrease in PBT. The LBT was in tandem with the decrease in revenue.

For the quarter under review, Vietnam segment revenue gained 57% to RM1.1 million from RM703,000. Vietnam segment continues to benefit from increase spending from existing key clients as a result from the past sales efforts in serving the clients. The segment had turnaround from LBT of RM110,000 to PBT of RM126,000, representing 214% improvement in PBT which was mainly attributed to the change in sales approach to focus on high margin products.

During the current quarter, Hong Kong segment registered a slight decline in revenue by 0.1% and PBT dropped by 29% as compared to the preceding year's corresponding quarter. Despite more competitors offering similar products , the segment's revenue remains stable, which is due to new product solutions coupled with existing popular products introduced by a bigger sales force. The decrease in PBT was due to the dip in profit margin results from the lower margin products sold in the current period and increased staff costs albeit there is a write back of HKD500,000 from

LeSports HK. China segment revenue and PBT did not contribute significantly to the Group's result as a whole. The China market remains challenging as the segment is experiencing a transitional period in the process of revising its business strategy and streamlining operations by minimising costs.

Philippines segment for the quarter recorded lower revenue and PBT at RM2.00 million and RM125,000 as compared to revenue of RM2.47 million and PBT of RM0.97 million in the same period last year. The segment is experiencing a transitional period on realigning new sales force to equip them with product knowledge and sales skills to regain higher spending from existing key clienteles. The declined PBT was due to the drop in revenue and low margin product sales.

Taiwan segment registered a revenue of RM2.22 million and LBT of RM162,000 in the current quarter as compared to revenue of RM514,000 and LBT of RM152,000 in prior year's corresponding quarter. The improved sales performance was due to higher spending from existing clienteles as a result from the bigger sales force. Despite achieving a higher revenue, a higher LBT was recorded which was mainly due to the increase in staff costs.

B1 Review of performance (Cont'd)

(iv) Group's Overview of operating segments (Cont'd)

For the Korea segment, since the operation only began in April 2017, there is no comparable figures for the current quarter.

B2 Variation of results against immediate preceding quarter

	Current quarter 30 June 2017 RM'000	Preceding quarter 31 March 2017 RM'000
Revenue	27,154	22,591
(LBT)/PBT	1,244	(3,695)

For the 2nd Quarter ended 30 June 2017, the Group revenue rose to RM27.15 million from RM22.59 million compared to the preceding quarter, representing an increase of 20% in revenue. Generally all the segments contributed to the higher revenue except Singapore segment.

The Group had turnaround from LBT of RM3.70 million in the preceding quarter to PBT of RM1.25 million in the current quarter, which was mainly spurred by the increase in sales, reduction in staff costs and operating cost. The comparable reduction was cause by the yearly festive allowance incurred and doubtful debts provided in the immediate preceding quarter.

B3 Prospects for the financial year ending 31 December 2017

Due to the volatility of current economic and foreign exchange situation in the global market, the Board is cautious in its business outlook in the medium term. However, in the longer term, the Board remains optimistic and will continue to innovate and deliver effective data-driven online marketing ad solutions. The solutions will mainly focus on content marketing and programmatic solutions to help advertisers engage with their audience, improve targeting, and ROI for their campaigns.

Additionally, we will continue to focus on pushing our services across the region with a particular focus on Malaysia, Hong Kong, the Philippines, Indonesia, and Singapore. Also, in line with our commitment to deliver top-notch results to our clients, we expect to improve our audience data by further enhancing our data management platform that allows tracking and segmentation of users based on their online and offline behaviours.

B4 Revenue or profit estimate

The Group did not previously announce or disclose any revenue or profit estimate, forecast, projection or internal targets for the financial period ending 31 December 2017.

B5 Profit for the period

	Quarter ended		Year-to-date ended	
	30 June 2017	**30 June 2016**	**30 June 2017**	**30 June 2016**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Loss for the period is arrived at after charging:				
Amortisation of development expenditure	341	283	682	570
Allowance for doubtful debts	(18)	-	2,174	-
Allowance for doubtful debts no longer require	(415)	-	(415)	-
Depreciation	130	95	251	211
Interest expense				
- term loans	3	3	6	7
- Bank overdraft	-	6	-	7
Loss on disposal of plant and equipment	-	-	-	12
Loss on foreign exchange				
- realised	283	135	409	683
- unrealised	180	351	331	1,600
And (crediting):				
Interest income	(68)	(55)	(95)	(84)
Gain on disposal of plant and equipment	-	(1)	-	(1)
Gain on foreign exchange				
- realised	1	(371)	(7)	(691)
- unrealised	46	(332)	(120)	(918)
Other income				
- Miscellaneous	(50)	(19)	(99)	(74)

B6 Income tax expense

	Quarter ended		Year-to-date ended	
	30 June 2017 RM'000	**30 June 2016 RM'000**	**30 June 2017 RM'000**	**30 June 2016 RM'000**
Current year income tax				
- Malaysia	250	14	250	14
- Overseas	-	556	-	1,055
Overprovision in prior year				
- Malaysia	(2)	-	(2)	(137)
	248	570	248	932

Malaysian segment's effective tax rate for the period is higher than the statutory tax rate primarily due to certain expenses not deductible for tax purposes.

Although Singapore segment registered a profit in the period under review, no provision is necessary as unabsorbed tax losses from previous year are sufficient to offset against tax arises from profit made for the period.

B7 Group borrowings and debt securities

	As at 30 June 2017 RM'000	**As at 30 June 2016 RM'000**
Short term borrowings:-		
Secured		
Term Loans	31	30
	31	30
Long term Borrowings:-		
Secured		
Term Loans	123	156
	123	156

The Group does not have any foreign currency borrowings.

B8 Material Litigation

The Company had on 11 May 2017 announced that Innity China Co., Limited ("ICCL"), a subsidiary of the Company, had on 4 May 2017, via its solicitors, Messrs. Chau & Associates, filed a Writ of Summons and Statement of Claim and Mediation Certificate in the High Court of the Hong Kong Special Administrative Region at Hong Kong against LETV Sports Culture Develop (HK) Company Limited ("the Defendants")("LeSports HK") for the claims sum of HK$3,849,755.55 in respect of outstanding advertising fees for services provided by ICCL. ICCL is also claiming interest on overdue advertising fees and costs of the litigation action against the Defendants. A sum of HK$3,849,755.55 doubtful debts was provided in the 1st quarter 2017.

B8 Material Litigation (Cont'd)

ICCL had on 16 June 2017 received an offer letter together with HKD515,000 settlement amount from LeSports HK, inclusive of HKD15,000 legal cost. The amount of HKD500,000 write back of trade receivable was effected in the current quarter.

Subsequently, ICCL entered into a settlement agreement with LeSports HK which recorded the full and final settlement of ICCL claims on 19 June 2017. The said settlement is to be made over 3 installments:-

(i) a sum of HKD515,000, inclusive of HKD15,000 legal costs , which was paid by LeSports HK by way of a cheque dated 15 June 2017(received on 16 June 2017)

(ii) a sum of HKD1,674,877.78 of the outstanding sum to be paid by LeSports HK on or before 31 August 2017; and

(iii) the balance of the outstanding sum in the sum of HKD1,674,877.78 to be paid by LeSports HK on or before 30 September 2017

Within 3 working days from receiving payment under (iii) above, ICCL shall cause its solicitors to take all necessary steps to discontinue this litigation action, which includes the service of notice of discontinuance on LeSports HK.

Subject to and conditional upon the fulfilment of payment obligations under item (ii) and (iii) above by LeSports HK, ICCL undertakes to withhold further proceedings, and withhold from giving further instructions to its solicitors to proceed with this litigation action.

Saved as disclosed above, there were no other material litigation that may have a material impact on the financial position and business of the Group as at reporting date.

B9 Dividend

There is no dividend declared for the current quarter or the financial year to date.

B10 Profit/(losses) per share

Basic profit/(losses) per ordinary share	**Current Quarter 30 June 2017**	**Current Year to Date 30 June 2017**
Profit/(losses) after tax and non controlling interest (RM'000)	1,324	(2,213)
Number of issued ordinary shares ('000)	138,403	138,403
Basic profit/(losses) per ordinary share (sen)	0.96	(1.60)

Diluted losses per share is not computed as the Company does not have any convertible financial instruments as at 30 June 2017.

B11 Status of corporate proposals

There are no corporate proposals announced but not yet completed as at 10 August 2017 (being the date not earlier than 7 days before the date of this announcement).

B12 Realised and Unrealised Profit/(Losses) Disclosure

The retained profits as at 30 June 2017 and 30 June 2016 are analysed as follows:

	As at 30 June 2017	As at 30 June 2016
Total retained profits/(accumulated losses) of the Company and Subsidiaries		
-Realised	11,134,417	8,769,554
-Unrealised	(649,359)	179,264
	10,485,058	8,948,818
Total share of accumulated losses from an associate		
-Realised	(88,610)	(260,529)
	10,396,448	8,688,289
Add: Consolidation adjustments	5,239,754	5,491,477
Total Group retained profits	15,636,202	14,179,766

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010. The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements as stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

B13 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the Board of Directors' meeting held on 17 August 2017.

On Behalf of the Board

Phang Chee Leong
Executive Chairman

Date: 17 August 2017