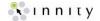
Innity Corporation Berhad (Company No. 764555-D) (Incorporated in Malaysia)



Quarterly report on results for the 3rd Quarter ended 30 September 2017 CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Financial review for current quarter and financial year to date

INDIVIDUAL QUARTER

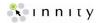
CUMULATIVE QUARTER

	Current year quarter For the period	Preceding year corresponding quarter	Variance (%) Favourable/ (Adverse)	Current year For the period	Preceding year corresponding period	Variance (%) Favourable/ (Adverse)
	1 July 2017 to 30 September 2017 RM'000	1 July 2016 to 30 September 2016 RM'000		1 January 2017 to 30 September 2017 RM'000	1 January 2016 to 30 September 2016 RM'000	
Revenue	24,159	25,665	(6%)	73,904	69,596	6%
Direct costs	(14,549)	(13,971)	(4%)	(43,257)	(38,611)	(12%)
Gross profit	9,610	11,694	(18%)	30,647	30,985	(1%)
Other operating income	135	488	(72%)	456	755	(40%)
Operating expenses	(10,577)	(8,268)	(28%)	(34,613)	(26,355)	(31%)
(Loss)/Profit from operations	(832)	3,914	(121%)	(3,510)	5,385	(165%)
Finance cost	(3)	(3)	0%	(9)	(17)	47%
Share of profit of equity-accounted associates,net of tax	58	110	(47%)	291	370	(21%)
(Loss)/Profit before taxation	(777)	4,021	(119%)	(3,228)	5,738	(156%)
Income tax expense	(402)	(748)	46%	(650)	(1,680)	61%
(Loss)/Profit for the period	(1,179)	3,273	(136%)	(3,878)	4,058	(196%)
Items that may be reclassified subsequently to						
profit or loss: Foreign currency translation differences for foreign operations	(638)	32	(2094%)	(813)	(251)	(224%)
Total other comprehensive (loss)/income for the period	(638)	32	(2094%)	(813)	(251)	(224%)
Total comprehensive (loss)/income for the period	(1,817)	3,305	(155%)	(4,691)	3,807	(223%)
(Loss)/Profit attributable to: Owners of the Company Non-controlling interests	(1,268) 89	2,914 359	(144%) (75%)	(3,481) (397)	3,587 471	(197%) (184%)
(Loss)/Profit for the period	(1,179)	3,273	(136%)	(3,878)	4,058	(196%)
Total comprehensive (loss)/income attributable to: Owners of the Company	(1,448)	2,963	(149%)	(4,183)	3,350	(225%)
Non-controlling interests	(369)	342	(208%)	(508)	457	(211%)
Total comprehensive (loss)/income for the period	(1,817)	3,305	(155%)	(4,691)	3,807	(223%)
Basic (loss)/earnings per ordinary share (sen)	(0.92)	2.11	(144%)	(2.52)	2.59	(197%)

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 2017 and should be read in conjunction with the audited financial statements for the year ended 31 December 2016.

Innity Corporation Berhad (Company No. 764555-D) (Incorporated in Malaysia)



Quarterly report on results for the 3rd Quarter ended 30 September 2017 CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(The figures have not been audited)

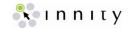
Financial review for current quarter compared with immediate preceding quarter

INDIVIDUAL QUARTER

	Current year quarter For the period	Immediate Preceding quarter	Variance (%) Favourable/ (Adverse)	
	1 July 2017 to 30 September 2017 RM'000	1 April 2017 to 30 June 2017 RM'000		
Revenue	24,159	27,154	(11%)	
Direct costs	(14,549)	(15,900)	8%	
Gross profit	9,610	11,254	(15%)	
Other operating income	135	71	90%	
Operating expenses	(10,577)	(10,150)	(4%)	
(Loss)/Profit from operations	(832)	1,175	(171%)	
Finance cost	(3)	(3)	0%	
Share of profit of equity-accounted associates,net of tax	58	72	(19%)	
(Loss)/Profit before taxation	(777)	1,244	(162%)	
Income tax expense	(402)	(248)	(62%)	
(Loss)/Profit for the period	(1,179)	996	(218%)	
Items that may be reclassified subsequently to				
profit or loss Foreign currency translation differences for foreign operations	(638)	19	(3458%)	
Total other comprehensive (loss)/income for the period	(638)	19	(3458%)	
Total comprehensive (loss)/income for the period	(1,817)	1,015	(279%)	
(Loss)/Profit attributable to: Owners of the Company Non-controlling interests	(1,268) 89	1,324 (328)	(196%) 127%	
(Loss)/Profit for the period	(1,179)	996	(218%)	
Total comprehensive (loss)/income attributable to: Owners of the Company Non-controlling interests	(1,448) (369)	969 46	(249%) (902%)	
Total comprehensive (loss)/income for the period	(1,817)	1,015	(279%)	
Basic (loss)/earnings per ordinary share (sen)	(0.92)	0.96	(196%)	

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 2017 and should be read in conjunction with the audited financial statements for the year ended 31 December 2016.

Innity Corporation Berhad



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

Quarterly report on results for the 3rd Quarter ended 30 September 2017 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(The figures have not been audited)

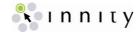
	Unaudited As at 30 September 2017 RM'000	Audited As at 31 December 2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,437	1,940
Development expenditure	4,448	4,288
Goodwill Investment in associates	148 821	148 530
Deferred tax assets	446	472
Deletted tax assets	8,300	7,378
	3,000	1,010
Current assets		
Trade receivables	33,570	36,141
Other receivables, deposits and prepayments	4,241	4,049
Tax recoverable	326	144
Fixed deposits with licensed banks	2,076	2,792
Other financial assets	117	115
Cash and bank balances	<u>16,535</u> 56,865	18,992 62,233
	50,005	02,233
TOTAL ASSETS	65,165	69,611
EQUITY AND LIABILITIES		
Share capital	18,937	13,840
Reserves	11,065	21,558
Total equity attributable to owners of the Company	30,002	35,398
Non-controlling interest	1,707	510
Total equity	31,709	35,908
Non-current liabilities		
Deferred tax liabilities	737	644
Long term borrowings	115	137
Retirement benefits obligation	245	260
	1,097	1,041
	·	,
Current liabilities		
Trade payables	20,074	19,065
Other payables and accruals	11,647	12,187
Short term borrowings	31	616
Tax payable Total current liabilities	607	794
Total current liabilities	32,359	32,662
Total liabilities	33,456	33,703
TOTAL EQUITY AND LIABILITIES	65,165	69,611
Not appate nor chare attributely to		
Net assets per share attributable to owners of the Company (sen)	15.84	25.58

Notes:

The Condensed Consolidated Statement of Financial Position is prepared based on the consolidated results of the Group for the quarter ended 30 September 2017 and should be read in conjunction with the audited financial statements for the year ended 31 December 2016.

Innity Corporation Berhad

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



Quarterly report on results for the 3rd Quarter ended 30 September 2017 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(The figures have not been audited)

	<	<non-distributable< th=""><th>></th><th></th><th></th><th></th></non-distributable<>			>				
	Share capital	Share premium	Reverse acquisition reserve	Foreign currency translation reserve	Other reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2017	13,840	5,097	(2,512)	876	248	17,849	35,398	510	35,908
Loss for the period Other comprehensive loss				(702)		(3,481)	(3,481) (702)	(397) (111)	(3,878) (813)
Total Comprehensive Loss	-	-	-	(702)	-	(3,481)	(4,183)	(508)	(4,691)
Transfer pursuant to Companies Act 2016* Acquisitions of non-controlling interest	5,097	(5,097)	- -	- (35)	-	(1,178)	(1,213)	- 1,705	- 492
Total transactions with Owners and changes in ownership interests	5,097	(5,097)	-	(35)	-	(1,178)	(1,213)	1,705	492
Balance as at 30 September 2017	18,937	-	(2,512)	139	248	13,190	30,002	1,707	31,709
Balance as at 1 January 2016	13,840	5,097	(2,512)	442	248	13,506	30,621	(139)	30,482
Profit for the period Other comprehensive loss	- -		-	- (237)	-	3,587	3,587 (237)	471 (14)	4,058 (251)
Total Comprehensive (Loss)/Income	-	-	-	(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

Notes:

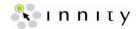
The Condensed Consolidated Statement of Changes in Equity is prepared based on the consolidated results of the Group for the quarter ended 30 September 2017 and should be read in conjunction with the audited financial statements for the year ended 31 December 2016.

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

^{*} Upon the commencement of the Companies Act 2016 ("CA2016") on 31 January 2017, the amount standing to the credit of the Company's share premium is now treated as part of the Company's share capital pursuant to Section 618(2) of the CA2016. The Group may use the credit amount of the share premium within twenty-four months upon the commencement of section 74 of the CA2016.

Innity Corporation Berhad

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



Quarterly report on results for the 3rd Quarter ended 30 September 2017 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(The figures have not been audited)

	Current year For the period	Preceding year corresponding period		
	1 January 2017 to 30 September 2017 RM'000	1 January 2016 to 30 September 2016 RM'000		
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES (Loss)/Profit before tax	(3,228)	5,738		
Adjustments for: Amortisation of development expenditure Allowance for doubful debts Allowance for doubtful debts no longer required Depreciation of property, plant and equipment Gain on disposal of plant and equipment Interest expense Interest income Loss on disposal of plant and equipment Property, plant and equipment written off Share of profit in equity-accounted associates Unrealised loss on foreign exchange, net	1,021 2,149 (678) 397 * 9 (120) - 57 (291) 394	853 - - 361 (1) 17 (120) 11 - (370) 259		
Operating (loss)/profit before working capital changes Decrease in trade and other receivables Increase in trade and other payables Cash generated from operations Income tax paid Income tax refunded Net cash generated (used in)/from operating activities	(290) 720 65 495 (886) -	6,748 2,522 881 10,151 (1,409) 4 8,746		
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES Development expenditure paid Increase in fixed deposits pledge Interest received Purchased of plant and equipment Proceeds from disposal of plant and equipment Repayments from associates	(1,193) (195) 120 (1,004) *	(1,174) (2,540) 120 (221) 3 30		
Net cash used in investing activities	(2,075)	(3,782)		
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES Interest paid Repayment of term loans Acquisitions of non-controlling interest	(9) (24) 492	(17) (27)		
Net cash from/(used in) financing activities Exchange difference	459 (776)	(44) (275)		
Net increase in cash and cash equivalents	(2,783)	4,645		
Cash and cash equivalents at beginning of year	19,435	12,494		
Cash and cash equivalents at end of year	16,652	17,139		
Cash and cash equivalents comprise: Cash and bank balances Fixed deposits with licensed banks Other financial assets	30 September 2017 16,535 2,076 117 18,728	30 September 2016 17,025 4,350 114 21,489		
Less: Fixed deposits pledged	(2,076) 16,652	(4,350) 17,139		
	10,002	17,139		

Notes:

The Condensed Consolidated Statement of Cash Flows is prepared based on the consolidated results of the Group for the quarter ended 30 September 2017 and should be read in conjunction with the audited financial statements for the year ended 31 December 2016.

^{*} represents value below RM1,000.