

**INS BIOSCIENCE BERHAD** (Company No. 623239-V)  
(Incorporated in Malaysia under the Companies Act, 1965)

**PUBLIC ISSUE OF 71,680,000 NEW ORDINARY SHARES OF RM0.10 EACH AT AN ISSUE PRICE OF RM0.35 PER NEW ORDINARY SHARE PAYABLE IN FULL ON APPLICATION COMPRISING:-**

- 5,000,000 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR APPLICATION BY THE PUBLIC;
- 51,680,000 NEW ORDINARY SHARES OF RM0.10 EACH BY WAY OF PRIVATE PLACEMENT; AND
- 15,000,000 NEW ORDINARY SHARES OF RM0.10 EACH MADE AVAILABLE FOR APPLICATION BY ELIGIBLE DIRECTORS AND EMPLOYEES, AND PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF INS BIOSCIENCE BERHAD AND ITS SUBSIDIARY COMPANIES

**IN CONJUNCTION WITH THE LISTING OF INS BIOSCIENCE BERHAD ON THE MESDAQ MARKET OF BURSA MALAYSIA SECURITIES BERHAD**

Adviser, Sponsor, Underwriter and Placement Agent

**OSK**

**OSK SECURITIES BERHAD**

(Company No. 14182-V)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE REFER TO "RISK FACTORS" AS SET OUT IN SECTION 4 HEREIN

This Prospectus is dated 28 June 2005

This Prospectus has been seen and approved by the Directors and Promoter of INS Bioscience Berhad (623239-V) ("INSB" or "the Company") and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts, the omission of which would make any statement herein false or misleading. Profit and cash flow forecasts have not been included in this Prospectus. Please refer to Section 5.7 of this Prospectus on the disclosure of the appropriate negative statement.

OSK Securities Berhad (14152-V), being the Adviser, Sponsor, Underwriter and Placement Agent acknowledges that, based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Public Issue (as herein defined). Public Merchant Bank Berhad (14328-V), being the Independent Adviser acknowledges that based on all available information and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Public Issue and are satisfied that the information contained in this Prospectus have been stated by the Directors of the Company after due and careful enquiry.

The Securities Commission ("SC") has approved the Public Issue, and that the approval shall not be taken to indicate that the SC recommends the Public Issue.

The SC and Bursa Malaysia Securities Berhad ("Bursa Securities") shall not be liable for any non-disclosure on the part of the corporation and takes no responsibility for the contents of this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus. Admission to the Official List of the MESDAQ Market of Bursa Securities is not to be taken as an indication of the merits of the invitation, company or of its securities. **INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

A copy of this Prospectus has been registered with the SC. A copy of this Prospectus, together with the form of application, has also been lodged with the Registrar of Companies, who takes no responsibility for its contents.

#### Characteristics of the MESDAQ Market of Bursa Securities:-

Investors should be aware that MESDAQ is a distinct market from the Main and Second Boards in many respects. In particular, companies listed on MESDAQ are subject to different qualitative and quantitative requirements, which have been primarily designed to accommodate high-growth and/or technology companies. Companies that are listed on MESDAQ may not have an operating history or any profit track record prior to listing. As such, whilst potential investment returns may be relatively high, companies listed on MESDAQ may be of higher investment risk. The regulatory philosophy underlying the MESDAQ Market is that the market should be allowed to determine the merits of the securities/instruments in a particular company. Hence, as with all investments, prospective investors should be aware of all potential risks in investing in such companies and should make the decision to invest after due and careful consideration by referring to, amongst others, the Prospectus, latest financial statements and corporate announcements. In this respect, advice from a securities professional/adviser is strongly recommended.

Securities listing on Bursa Securities are offered to the public premised on full and accurate disclosure of all material information concerning the issue for which any of the persons set out in Section 45 of the Securities Commission Act 1993, e.g. Directors and advisers, are responsible.

**This Prospectus can also be viewed or downloaded from the Bursa Securities' official website at [www.bursamalaysia.com](http://www.bursamalaysia.com)**

**INDICATIVE TIMETABLE**

The indicative timing of events leading up to the listing of and quotation for the Company's entire enlarged issued and paid-up capital on the MESDAQ Market of Bursa Securities is set out below:-

<b>Event</b>	
Date of Prospectus.....	28 June 2005
Opening of the application for the Issue Shares .....	28 June 2005
Closing of the application for the Issue Shares.....	11 July 2005
Tentative balloting of applications for the Issue Shares .....	13 July 2005
Tentative allotment of the Issue Shares .....	25 July 2005
Tentative Listing date .....	26 July 2005

THIS TIMETABLE IS TENTATIVE AND IS SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES. THE PUBLIC ISSUE WILL CLOSE AT THE DATE STATED ABOVE OR SUCH LATER DATE AS THE DIRECTORS AND THE UNDERWRITER MAY AGREE.

IN THE EVENT THE CLOSING DATE OF THE APPLICATION IS EXTENDED, THE NOTICE OF THE EXTENSION WILL BE ADVERTISED IN WIDELY CIRCULATED DAILY ENGLISH AND BAHASA MALAYSIA NEWSPAPERS PRIOR TO THE ORIGINAL CLOSING DATE OF THE APPLICATION. FOLLOWING THIS, THE DATES FOR THE BALLOTING OF APPLICATION FOR THE ISSUE SHARES, ALLOTMENT OF THE ISSUE SHARES AND LISTING WOULD BE EXTENDED ACCORDINGLY.

**THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK**

**DEFINITIONS**

Unless otherwise indicated, the following definitions shall apply throughout this Prospectus:-

<b>Act</b>	:	Companies Act, 1965
<b>Acquisitions</b>	:	The Acquisition of INSE and Acquisition of TOF collectively
<b>Acquisition of INSE</b>	:	The acquisition by INSB of the entire issued and paid-up share capital of INSE comprising 5,449,100 ordinary shares of RM1.00 each for a total purchase consideration of RM13,793,900 satisfied by the issuance of 13,793,900 new ordinary shares of RM1.00 each in INSB
<b>Acquisition of TOF</b>	:	The acquisition by INSB of the entire issued and paid-up share capital of TOF comprising 272,500 ordinary shares of RM1.00 each respectively for a total purchase consideration of RM7,706,100 satisfied by the issuance of 7,706,100 new ordinary shares of RM1.00 each in INSB
<b>ADA</b>	:	Authorised Depository Agent
<b>ADA Code</b>	:	ADA (Broker) Code
<b>AFTA</b>	:	ASEAN Free Trade Area
<b>Articles of Association</b>	:	The articles of association of the Company
<b>ASEAN</b>	:	Association of South East Asian Nations
<b>BIOTEK</b>	:	Biotechnology Directorate, a division in the Ministry of Science, Technology and Innovation
<b>BioValley</b>	:	Malaysia BioValley Project to be established within the Malaysia Multimedia Super Corridor located south of Cyberjaya
<b>Board of Directors or Board</b>	:	The board of directors of INSB
<b>Bursa Depository or Depository</b>	:	Bursa Malaysia Depository Sdn Bhd (165570-W)
<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad (635998-W)
<b>CAU</b>	:	College of Food Science & Nutritional Engineering, China Agricultural University
<b>CBBG</b>	:	China Bioway Biotech Group
<b>CDS</b>	:	Central Depository System
<b>CDS Account</b>	:	An account established by the Bursa Depository for a depositor for the recording or deposit of securities and for dealing in such securities by the depositors
<b>Central Depositories Act</b>	:	The Securities Industry (Central Depositories) Act 1991
<b>CEO</b>	:	Chief Executive Officer

**DEFINITIONS (CONTINUED)**

<b>DCA</b>	:	Drug Control Authority
<b>DSA</b>	:	Direct Sales Act, 1993
<b>Deposited Security</b>	:	Security, as defined in Section 2 of the Central Depositories Act, standing to the credit of a Securities Account of a Depositor and includes security in a Securities Account that is in suspense subject to the provisions of Central Depositories Act and the Rules
<b>Depositor</b>	:	A holder of a Securities Account
<b>Director(s)</b>	:	Director(s) of INSB
<b>EPS</b>	:	Earnings per share
<b>FAO</b>	:	Food and Agriculture Organisation of the United Nations
<b>FRIM</b>	:	Forest Research Institute Malaysia
<b>FYE</b>	:	Financial year ending/ended
<b>GDP</b>	:	Gross Domestic Product
<b>GMP</b>	:	Good Manufacturing Practices
<b>Government</b>	:	The Government of Malaysia
<b>IMR</b>	:	Institute of Medical Research
<b>INSB or the Company</b>	:	INS Bioscience Berhad (623239-V)
<b>INSB Group or the Group</b>	:	INSB and its wholly-owned subsidiary companies comprising INSE and TOF
<b>INSE</b>	:	INS Enterprise Sdn Bhd (381470-K)
<b>INSE Vendors</b>	:	INSH, OSKTV, Dato' Tan Seng Leong, Datuk Yeat Sew Chuong, Wong Seng Tong, Yeat Siaw Ping, Eong Kek Hock, Lim Sia Huat, Khoo Keat, Wong Guan Fung, Yeat Saw Seng, Yeat Saw Wei, Chee Fei Ching, Ng Wei Chiang, Chin Yong Shya and Loh Ping Kong
<b>INSH or Group Parent Company or Parent Company</b>	:	INS Holdings Berhad (494718-T)
<b>INSM</b>	:	INS Manufacturing Sdn Bhd (473365-H)
<b>IPO</b>	:	Initial Public Offering
<b>ITAB</b>	:	International Technical Advisory Board
<b>Key Management</b>	:	Comprise of key management, technical personnel and consultant of INSB Group

**DEFINITIONS (CONTINUED)**

<b>Listing</b>	:	The admission to the official list and listing of and quotation for the entire enlarged issued and paid-up share capital of INSB comprising 286,680,020 ordinary shares of RM0.10 each on the MESDAQ Market
<b>MARDI</b>	:	Malaysian Agricultural Research and Development Institute
<b>Market Day</b>	:	Any day on which the Bursa Securities is open for trading of securities
<b>MAVCAP</b>	:	Malaysian Venture Capital Management Bhd. (545446-U)
<b>MBB</b>	:	Malayan Banking Berhad (3813-K)
<b>MESDAQ Market</b>	:	The MESDAQ Market of Bursa Securities
<b>MIER</b>	:	Malaysian Institute of Economic Research
<b>MIH</b>	:	Malaysian Issuing House Sdn Bhd (258345-X)
<b>MITI</b>	:	Ministry of International Trade and Industry
<b>MLM</b>	:	Multi level marketing
<b>MMLR</b>	:	The Listing Requirements of Bursa Securities for the MESDAQ Market
<b>MNC</b>	:	Multinational company
<b>MDTCA</b>	:	Ministry of Domestic Trade and Consumer Affairs
<b>MOH</b>	:	Ministry of Health
<b>MOSTI or MOSTE</b>	:	Ministry of Science, Technology and Innovation (formerly known as Ministry of Science, Technology and the Environment)
<b>MPOB</b>	:	Malaysian Palm Oil Board
<b>MRB</b>	:	Malaysian Rubber Board
<b>NTA</b>	:	Net tangible assets
<b>OEM</b>	:	Original Equipment Manufacturer
<b>OSK</b>	:	OSK Securities Berhad (14152-V)
<b>OSKH</b>	:	OSK Holdings Berhad (207075-U)
<b>OSKVI</b>	:	OSK Ventures International Berhad (636117-K)
<b>OSKTV</b>	:	OSK Technology Ventures Sdn Bhd (319604-V)
<b>PAT</b>	:	Profit after tax
<b>PBT</b>	:	Profit before tax
<b>Promoter</b>	:	Promoter of INSB, namely INSH

**DEFINITIONS (CONTINUED)**

<b>Prospectus</b>	:	This Prospectus published in respect of this Public Issue
<b>Public Issue or Issue</b>	:	The issue of 71,680,000 Shares by INSB at the Public Issue Price subject to the terms and conditions of this Prospectus
<b>Public Issue Price or Issue Price</b>	:	RM0.35 for each Public Issue Share
<b>Public Issue Share(s) or Issue Share(s)</b>	:	The 71,680,000 Shares in the capital of INSB to be issued pursuant to the Public Issue and subject to the terms and conditions of this Prospectus
<b>QC</b>	:	Quality control
<b>R&amp;D</b>	:	Research & development
<b>RM and sen</b>	:	Ringgit Malaysia and sen respectively
<b>RMB</b>	:	Renminbi
<b>Rules</b>	:	Rules of the Bursa Depository
<b>SC</b>	:	Securities Commission
<b>Securities Account</b>	:	An account established by the Depository for a Depositor for the recording of deposit of securities and for dealing in such securities as permitted under the Central Depositories Act and/or the Rules
<b>Share(s)</b>	:	Ordinary share(s) of RM0.10 each in the capital of INSB
<b>Shareholder(s)</b>	:	Shareholder(s) of INSB
<b>Share Split</b>	:	The subdivision of every one (1) existing ordinary share of RM1.00 par value each in INSB into ten (10) ordinary shares of RM0.10 par value each
<b>TOF</b>	:	The Origin Foods Sdn Bhd (484659-W)
<b>TOF Vendors</b>	:	INSH, OSKTV and Dato' Tan Seng Leong
<b>USD</b>	:	United States Dollar
<b>UPM</b>	:	University Putra Malaysia
<b>WTO</b>	:	World Trade Organisation of the United Nations
<b>Zhen-Ao</b>	:	Zhen-Ao Group Co., Ltd.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of a day in this Prospectus shall be a reference to Malaysian time, unless otherwise stated.

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**TABLE OF CONTENTS**


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<b>1.</b>	<b>CORPORATE DIRECTORY.....</b>	<b>1</b>
<b>2.</b>	<b>INFORMATION SUMMARY .....</b>	<b>4</b>
2.1	HISTORY, PRINCIPAL ACTIVITIES AND GROUP STRUCTURE .....	4
2.2	OWNERSHIP AND MANAGEMENT .....	5
2.3	PRODUCTS AND SERVICES .....	7
2.4	RESEARCH AND DEVELOPMENT / QUALITY CONTROL .....	7
2.5	MARKETING AND DISTRIBUTION.....	7
2.6	PROFORMA HISTORICAL FINANCIAL RECORD.....	8
2.7	PROFORMA CONSOLIDATED BALANCE SHEETS.....	9
2.8	RISK FACTORS.....	11
2.9	PROSPECTS AND OUTLOOK.....	11
2.10	PRINCIPAL STATISTICS RELATING TO THE PUBLIC ISSUE.....	12
2.11	UTILISATION OF PROCEEDS RAISED FROM THE PUBLIC ISSUE.....	13
2.12	MATERIAL LITIGATION .....	13
2.13	MATERIAL COMMITMENTS .....	13
2.14	CONTINGENT LIABILITY .....	13
<b>3.</b>	<b>INTRODUCTION AND DETAILS OF THE PUBLIC ISSUE .....</b>	<b>14</b>
3.1	INTRODUCTION.....	14
3.2	INDICATIVE TIMETABLE.....	15
3.3	PURPOSE OF THE PUBLIC ISSUE .....	16
3.4	PARTICULARS OF THE PUBLIC ISSUE .....	16
3.5	PRICING OF THE PUBLIC ISSUE.....	17
3.6	BROKERAGE, UNDERWRITING AND PLACEMENT FEE.....	17
3.7	SALIENT TERMS OF THE UNDERWRITING AGREEMENT .....	18
3.8	LISTING EXPENSES.....	21
3.9	UTILISATION OF PROCEEDS RAISED FROM THE PUBLIC ISSUE.....	21
<b>4.</b>	<b>RISK FACTORS .....</b>	<b>23</b>
<b>5.</b>	<b>FINANCIAL INFORMATION.....</b>	<b>33</b>
5.1	PROFORMA HISTORICAL FINANCIAL RECORD.....	33
5.2	PROFORMA CONSOLIDATED CASH FLOW STATEMENT.....	35
5.3	KEY FINANCIAL RATIOS .....	36
5.4	ANALYSIS AND COMMENTARY ON FINANCIAL INFORMATION.....	36
5.5	DIRECTORS' DECLARATION OF FINANCIAL PERFORMANCE .....	39
5.6	WORKING CAPITAL, BORROWINGS AND CONTINGENT LIABILITIES .....	39
5.7	PROFIT FORECASTS.....	40
<b>6.</b>	<b>INFORMATION ON THE INSB GROUP.....</b>	<b>41</b>
6.1	HISTORY AND BACKGROUND.....	41
6.2	SHARE CAPITAL AND CHANGES IN SHARE CAPITAL.....	41
6.3	LISTING PROPOSAL .....	42
6.4	INFORMATION ON SUBSIDIARY COMPANIES.....	44
6.5	COMPANIES WITH SIMILAR TRADE .....	47
6.6	RELATED PARTY TRANSACTIONS AND CONFLICT OF INTERESTS .....	48
6.7	DECLARATION OF CONFLICT OF INTERESTS OF ADVISERS.....	50
6.8	SUMMARY OF LANDED PROPERTIES .....	52
<b>7.</b>	<b>INDUSTRY OVERVIEW .....</b>	<b>53</b>
7.1	ECONOMIC OVERVIEW .....	53
7.2	OVERVIEW OF THE HERBAL PRODUCTS AND WHEATGRASS MARKET .....	54
7.3	OVERVIEW OF THE BIOTECHNOLOGY INDUSTRY.....	55
7.4	OVERVIEW OF THE DIRECT SELLING INDUSTRY.....	55
7.5	GOVERNMENT REGULATIONS .....	56
<b>8.</b>	<b>BUSINESS OVERVIEW.....</b>	<b>58</b>
8.1	PRODUCTS AND SERVICES .....	58
8.2	PRODUCTION PROCESSES .....	59



**TABLE OF CONTENTS**

8.3	RESEARCH AND DEVELOPMENT / QUALITY CONTROL .....	60
8.4	TRADEMARKS AND PATENTS .....	66
8.5	COMPETITIVE ADVANTAGES .....	67
8.6	PRODUCTION CAPACITY AND OUTPUT .....	68
8.7	MAJOR CUSTOMERS .....	69
8.8	MAJOR SUPPLIERS .....	69
8.9	MARKETING AND DISTRIBUTION .....	70
8.10	EMPLOYEES .....	71
8.11	ACHIEVEMENTS AND CERTIFICATIONS .....	71
8.12	OPERATING LICENSES AND PERMITS OBTAINED .....	72
8.13	FUTURE PLANS, STRATEGIES AND PROSPECTS .....	73
8.14	APPROVALS AND CONDITIONS .....	74
<b>9.</b>	<b>INFORMATION ON SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT .....</b>	<b>77</b>
9.1	OWNERSHIP AND MANAGEMENT .....	77
9.2	PROFILE OF PROMOTER AND SUBSTANTIAL SHAREHOLDERS .....	79
9.3	CHANGES IN SUBSTANTIAL SHAREHOLDERS .....	82
9.4	MORATORIUM ON SHARES .....	82
9.5	BOARD OF DIRECTORS .....	83
9.6	AUDIT COMMITTEE .....	87
9.7	KEY MANAGEMENT .....	88
9.8	DECLARATION .....	90
9.9	RELATIONSHIPS AND ASSOCIATIONS .....	90
9.10	SERVICE AGREEMENTS .....	91
<b>10.</b>	<b>SUMMARY OF THE FIVE (5) YEAR BUSINESS DEVELOPMENT PLAN .....</b>	<b>92</b>
10.1	BUSINESS OBJECTIVE AND STRATEGY .....	92
10.2	FUTURE DEVELOPMENT MILESTONES .....	93
10.3	CONCLUSION .....	95
<b>11.</b>	<b>SUMMARY OF INDUSTRY OVERVIEW REPORT .....</b>	<b>96</b>
<b>12.</b>	<b>DIRECTORS REPORT .....</b>	<b>106</b>
<b>13.</b>	<b>ACCOUNTANTS' REPORT .....</b>	<b>107</b>
<b>14.</b>	<b>PROFORMA CONSOLIDATED BALANCE SHEETS OF INSB AS AT 31 DECEMBER 2004 TOGETHER WITH THE BASES AND ASSUMPTIONS AND THE REPORTING ACCOUNTANTS' LETTER THEREON .....</b>	<b>143</b>
<b>15.</b>	<b>REPORTING ACCOUNTANTS' LETTER ON TRADE RECEIVABLES .....</b>	<b>150</b>
<b>16.</b>	<b>FURTHER STATUTORY AND OTHER GENERAL INFORMATION .....</b>	<b>153</b>
16.1	SHARE CAPITAL .....	153
16.2	ARTICLES OF ASSOCIATION .....	153
16.3	DIRECTORS AND SUBSTANTIAL SHAREHOLDERS .....	157
16.4	GENERAL .....	159
16.5	EXPENSES AND COMMISSION .....	160
16.6	MATERIAL CONTRACTS .....	160
16.7	MATERIAL AGREEMENTS .....	162
16.8	MATERIAL LITIGATION .....	164
16.9	PUBLIC TAKE-OVERS .....	164
16.10	CONSENTS .....	165
16.11	INSURANCE POLICIES .....	165
16.12	DOCUMENTS FOR INSPECTION .....	166
16.13	RESPONSIBILITY STATEMENT .....	166
<b>17.</b>	<b>PROCEDURE FOR APPLICATION AND ACCEPTANCE .....</b>	<b>167</b>