

INS BIOSCIENCE BERHAD

(Company No: 623239 - V)

(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2008

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2008 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.6.2008 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.6.2007 RM'000	CURRENT YEAR TO DATE 30.6.2008 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.6.2007 RM'000
Revenue	22,289	20,937	43,586	28,743
Cost of sales	<u>(14,755)</u>	<u>(15,172)</u>	<u>(26,865)</u>	<u>(20,011)</u>
Gross profit	7,534	5,765	16,721	8,732
Other operating income	270	69	3,863	130
Selling and distribution expenses	(3,476)	(3,196)	(8,531)	(3,772)
Administrative expenses	(3,051)	(1,672)	(5,949)	(3,069)
Other operating expenses	(201)	(578)	(3,892)	(1,432)
Finance costs	<u>(14)</u>	<u>(70)</u>	<u>(28)</u>	<u>(171)</u>
Profit before taxation	1,062	318	2,184	418
Taxation	<u>(109)</u>	<u>47</u>	<u>(179)</u>	<u>-</u>
Profit after taxation	<u>953</u>	<u>365</u>	<u>2,005</u>	<u>418</u>
Attributable to :				
- equity holders of the parent	959	365	2,036	418
- minority interest	<u>(6)</u>	<u>-</u>	<u>(31)</u>	<u>-</u>
	<u>953</u>	<u>365</u>	<u>2,005</u>	<u>418</u>
Earnings Per Share attributable to equity holders of the parent (Sen)				
(a) Basic	0.33	0.13	0.71	0.15
(b) Fully diluted	N/A	N/A	N/A	N/A

The above statement should be read in conjunction with the accompanying notes attached to this interim financial report as well as the Audited Financial Statements for the financial year ended 31 December 2007

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2008

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2008 (UNAUDITED)

	(UNAUDITED) AS AT END OF CURRENT QUARTER 30.6.2008. RM'000	(AUDITED) AS AT 31.12.2007 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	21,938	15,312
Prepaid lease payment	45	45
Development expenditure	141	-
Other investment	63	63
Goodwill on consolidation	3,644	3,644
	<u>25,831</u>	<u>19,064</u>
Current assets		
Inventories	11,092	6,936
Trade and other receivables	26,367	14,804
Tax refundable	264	477
Fixed deposits with licensed banks	11,446	14,796
Cash and bank balances	5,978	20,117
	<u>55,147</u>	<u>57,130</u>
TOTAL ASSETS	<u>80,978</u>	<u>76,194</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	28,668	28,668
Share premium	15,785	15,785
Accumulated loss	513	-1,523
	<u>44,966</u>	<u>42,930</u>
Minority Interest	14	45
Total equity	<u>44,980</u>	<u>42,975</u>
Non-current liabilities		
Hire purchase payables	953	1,047
Deferred taxation	-	-
	<u>953</u>	<u>1,047</u>
Current liabilities		
Trade and other payables	34,341	31,624
Hire purchase payables	226	226
Provision for taxation	277	322
Bills payables	201	-
Bank overdrafts	-	-
	<u>35,045</u>	<u>32,172</u>
Total liabilities	<u>35,998</u>	<u>33,219</u>
TOTAL EQUITY AND LIABILITIES	<u>80,978</u>	<u>76,194</u>
Net assets [NA] per share attributable to the equity holders of the parent (sen)	15.69	14.97

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2008

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2008 (UNAUDITED)

	Issued and fully paid ordinary shares of RM0.10 each		Non-Distributable Share Premium	Distributable - Retained Profit / Accumulated Loss	Shareholders' Equity	Minority Interests	Total
	Number of shares '000	Nominal value RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2007 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(3,024)	41,429	-	41,429
Disposal of interest in a subsidiary	-	-	-	3	3	46	49
Net profit for the year	-	-	-	1,498	1,498	(1)	1,497
At 31 December 2007 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(1,523)	42,930	45	42,975
Net profit for the period ended 30 June 2008	-	-	-	2,036	2,036	(31)	2,005
At 30 June 2008 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	513	44,966	14	44,980

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2008 CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2008 (UNAUDITED)

	6 months ended 30.06.2008	6 months ended 30.06.2007
	RM'000	RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Profit before taxation	2,184	418
Adjustments for:		
Allowance for doubtful debts	3,384	779
Allowance for doubtful debts no longer required	(3,409)	-
Depreciation of property, plant and equipment	991	949
Gain on disposal of property, plant and equipment	(11)	-
Interest expense	28	171
Interest income	(214)	(112)
Government grant	(7)	(7)
Operating profit before working capital changes	<u>2,946</u>	<u>2,198</u>
Changes in working capital:		
Net change in current assets	(15,689)	2,400
Net change in current liabilities	2,713	59
Cash For Operations	<u>(10,030)</u>	<u>4,657</u>
Interest paid	(28)	(171)
Tax paid	(12)	(396)
Government grant	7	7
Net cash (for)/from operating activities	<u>(10,063)</u>	<u>4,097</u>
CASH FLOWS FOR INVESTING ACTIVITIES		
Development cost paid	(141)	(43)
Proceeds from disposal of property, plant and equipment	11	4,097
Purchase of property, plant and equipment	(7,617)	(258)
Interest received	214	112
Net cash for investing activities	<u>(7,533)</u>	<u>3,908</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown of bills payable	201	401
Repayment of hire purchase obligations	(94)	(59)
Net cash from financing activities	<u>107</u>	<u>342</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(17,489)	8,347
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	34,913	8,906
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (Note A15)	<u>17,424</u>	<u>17,253</u>

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