

INS BIOSCIENCE BERHAD

(Company No: 623239 - V)

(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.9.2008 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.9.2007 RM'000	CURRENT YEAR TO DATE 30.9.2008 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.9.2007 RM'000
Revenue	16,615	32,865	60,201	61,608
Cost of sales	<u>(10,068)</u>	<u>(20,831)</u>	<u>(36,933)</u>	<u>(40,842)</u>
Gross profit	6,547	12,034	23,268	20,766
Other operating income	5,960	80	9,823	210
Selling and distribution expenses	(3,301)	(6,823)	(11,832)	(10,595)
Administrative expenses	(2,644)	(2,934)	(8,593)	(6,003)
Other operating expenses	(6,479)	(1,741)	(10,371)	(3,173)
Finance costs	<u>(26)</u>	<u>(45)</u>	<u>(54)</u>	<u>(216)</u>
Profit before taxation	57	571	2,241	989
Taxation	<u>(50)</u>	<u>(21)</u>	<u>(229)</u>	<u>(21)</u>
Profit after taxation	<u>7</u>	<u>550</u>	<u>2,012</u>	<u>968</u>
Attributable to :				
- equity holders of the parent	21	550	2,057	968
- minority interest	<u>(14)</u>	<u>-</u>	<u>(45)</u>	<u>-</u>
	<u>7</u>	<u>550</u>	<u>2,012</u>	<u>968</u>
Earnings Per Share attributable to equity holders of the parent (Sen)				
(a) Basic	0.01	0.19	0.72	0.34
(b) Fully diluted	N/A	N/A	N/A	N/A

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CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2008 (UNAUDITED)

	(UNAUDITED) AS AT END OF CURRENT QUARTER 30.9.2008. RM'000	(AUDITED) AS AT 31.12.2007 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	22,379	15,312
Prepaid lease payment	45	45
Development expenditure	141	-
Other investment	63	63
Goodwill on consolidation	3,644	3,644
	<u>26,272</u>	<u>19,064</u>
Current assets		
Inventories	10,688	6,936
Trade and other receivables	26,084	14,804
Tax refundable	285	477
Fixed deposits with licensed banks	6,106	14,796
Cash and bank balances	1,795	20,117
	<u>44,958</u>	<u>57,130</u>
TOTAL ASSETS	<u>71,230</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 profit / (loss)	534	(1,523)
	<u>44,987</u>	<u>42,930</u>
Minority Interest	-	45
Total equity	<u>44,987</u>	<u>42,975</u>
Non-current liabilities		
Hire purchase payables	821	1,047
Deferred taxation		
	<u>821</u>	<u>1,047</u>
Current liabilities		
Trade and other payables	24,332	31,624
Hire purchase payables	215	226
Provision for taxation	325	322
Short term borrowings	550	-
	<u>25,422</u>	<u>32,172</u>
Total liabilities	<u>26,243</u>	<u>33,219</u>
TOTAL EQUITY AND LIABILITIES	<u>71,230</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 THIRD QUARTER ENDED 30 SEPTEMBER 2008

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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/ (loss) 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/(loss) for the period ended 30 September 2008	-	-	-	2,057	2,057	(45)	2,012
At 30 September 2008 (Nominal value at RM0.10 per share)	<u>286,680</u>	<u>28,668</u>	<u>15,785</u>	<u>534</u>	<u>44,987</u>	<u>-</u>	<u>44,987</u>

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2008 (UNAUDITED)

	9 months ended 30.09.2008 RM'000	9 months ended 30.09.2007 RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Profit before taxation	2,241	989
Adjustments for:		
Allowance for doubtful debts	9,522	2,122
Writeback of allowance for doubtful debts	(9,099)	-
Depreciation of property, plant and equipment	1,588	1,464
Gain on disposal of property, plant and equipment	(76)	-
Interest expense	54	216
Interest income	(288)	(183)
Government grant	(7)	(7)
Operating profit before working capital changes	<u>3,935</u>	<u>4,601</u>
Changes in working capital:		
Net change in current assets	(15,454)	(5,839)
Net change in current liabilities	(7,292)	21,305
Cash generated (for)/from Operations	<u>(18,811)</u>	<u>20,067</u>
Interest paid	(54)	(216)
Tax paid	(34)	(969)
Government grant	7	7
Net cash (for)/from operating activities	<u>(18,892)</u>	<u>18,889</u>
CASH FLOWS FOR INVESTING ACTIVITIES		
Development cost paid	(141)	(46)
Proceeds from disposal of property, plant and equipment	123	-
Purchase of property, plant and equipment	(8,702)	(1,522)
Interest received	288	183
Net cash for investing activities	<u>(8,432)</u>	<u>(1,385)</u>
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Net drawdown of bills payable	550	(747)
Additional of hire purchase obligations	-	722
Repayment of hire purchase obligations	(238)	(214)
Net cash from/(for) financing activities	<u>312</u>	<u>(239)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(27,012)	17,265
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	34,913	8,906
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (Note 15)	<u><u>7,901</u></u>	<u><u>26,171</u></u>

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