

Notes to the Quarterly Report – 30 June 2009

**A. EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARDS (“FRS”) 134 INTERIM FINANCIAL REPORTING**

**A1. Basis of preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with Financial Reporting Standards (“FRS”) 134 Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the ACE Market.

The interim financial statements should be read in conjunction with the audited financial statements of INS Bioscience Berhad (“INSBIO”) and its subsidiaries (“the Group”) for the financial period from 1 January 2008 to 31 March 2009. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 31 March 2009.

**A2. Auditors’ report of preceding annual financial statements**

The auditors’ report on the financial statements for the financial period from 1 January 2008 to 31 March 2009 was not qualified.

**A3. Seasonal or cyclical factors**

The Group’s operations are not materially affected by seasonal or cyclical changes during the current financial quarter under review.

**A4. 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 since the last annual audited financial statements.

**A5. Material changes in estimates**

There was no change in accounting estimates made that would materially affect the financial statements of the Group for the current financial quarter under review.

**A6. Debts and equity securities**

There was no issuance and repayment of debt and equity securities, shares buy back, share cancellation or shares held as treasury shares and resale of treasury shares for the current financial quarter under review.

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**A7. Dividend paid**

There was no dividend paid during the current financial quarter under review.

**A8. Segment information**

Segmental reporting for the financial period ended 30 June 2009.

	<b>Manufacturing</b>	<b>Marketing and distribution of products</b>	<b>Others</b>	<b>Eliminations</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>REVENUE</b>					
External sales	2,676	11,171	-	-	13,847
Inter-segment sales	1,507	185	-	(1,692)	-
	<u>4,183</u>	<u>11,356</u>	<u>-</u>	<u>(1,692)</u>	<u>13,847</u>
<b>RESULTS</b>					
Segment results	<u>1,632</u>	<u>(1,267)</u>	<u>(96)</u>	<u>(9)</u>	<u>260</u>
Finance costs	(47)	(33)	-	-	(80)
Interest income	6	17	14	-	37
Profit before taxation					<u>217</u>
Taxation					<u>(91)</u>
Profit after taxation					<u><u>126</u></u>

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**A8. Segment information (Cont'd)**

	<b>Manufacturing</b>	<b>Marketing and distribution of products</b>	<b>Others</b>	<b>Eliminations</b>	<b>Group</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>OTHER INFORMATION</b>					
<b>Segment assets</b>	32,842	27,731	20,936	(20,252)	61,257
Unallocated corporate assets					108
<b>Consolidated total assets</b>					<u>61,365</u>
<b>Segment liabilities</b>	15,485	32,274	919	(20,252)	28,426
Unallocated corporate liabilities					255
<b>Consolidated total liabilities</b>					<u>28,681</u>
Capital expenditure	18	31	-	-	49
Depreciation	347	261	-	-	608
Amortisation	1	-	-	-	1
Non-cash income other than depreciation	(1,676)	(394)	-	-	(2,070)
Non-cash expenses other than depreciation	1,495	1,203	-	-	2,698

**A9. Valuation of property, plant and equipment**

There was no revaluation of property, plant and equipment for the current financial quarter under review.

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**A10. Material events subsequent to the end of the quarter**

There was no material event subsequent to the end of the current financial quarter under review.

**A11. Changes in the composition of the Group**

There were no changes in the composition of the Group during the current financial quarter under review except for the acquisition of a 60% owned subsidiary company, namely PT. Easy Pha-Max Marketing Indonesia on 17 April 2009.

**A12. Changes in contingent assets and contingent liabilities**

There were no material contingent assets as at the date of this report.

<b>Contingent Liabilities</b>	<b>The Group 30.06.2009 RM'000</b>	<b>The Company 30.06.2009 RM'000</b>
Corporate guarantees given to financial institutions for facilities granted to the subsidiaries, unsecured	-	8,103
Claim of royalty by a former director (a)	278	-
Claim of general damages by distributors (b)	9,968	-
	<u>10,246</u>	<u>8,103</u>

- (a) On 14 June 2006, two subsidiaries EPMSB and TOF were served with a Writ of Summons and Statement of Claim dated 9 March 2006 by a former director of TOF in the Kuala Lumpur High Court.

The former director filed a claim against EPMSB and TOF (collectively referred to as “Defendants”) for a sum of RM277,960 being total royalty alleged to be payable to him as at 31 December 2004, interest on sum of RM277,960 at a rate which the Court think fit and proper from 1 January 2005 until the date of judgement till the date of full realization.

The next case management date has been fixed for 10 September 2009.

- (b) EPMSB was served with the Writ of Summons and Statement of Claim of Lee Pak Choong and 82 other Plaintiffs (collectively referred to as the “Plaintiffs”) dated 11 March 2009 for the alleged breach of agreement and fraudulent misrepresentation on 23 March 2009, while INSBIO only received service at its registered office address on 27 March 2009 bearing Civil Suit No. D-22-446-2009

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**A12. Changes in contingent assets and contingent liabilities (Cont'd)**

The Plaintiffs filed a claim against EPMSB, INSBIO and six (6) other Defendants (collectively referred to as the "Defendants") for a sum of RM9,968,000.00 being the purported sum of monies claimed by the Plaintiffs, general damages, exemplary damages and aggravated damages to be assessed by the Court, an interest at the rate of 8% per annum on the RM9,968,000.00 and general damages respectively from the date of filing of the Writ of Summons until date of full settlement, costs on solicitor-client basis, costs and such other relief as the Court deems fit and proper.

EPMSB, INSBIO & the other Defendants had entered Conditional Appearance and filed Applications for Setting Aside and/or Striking Out of the aforesaid suit on 31 March 2009 and 14 April 2009 respectively.

These were done, on the grounds of irregularities on the said Writ of Summons and Statement of Claim including, *inter alia*, not properly and correctly identifying the Plaintiffs to the Suit, which had rendered the said Writ of Summons and Statement of Claim defective and null and void.

In response thereto the Defendants' Setting Aside and/or Striking Out Applications, on 11 June 2009, the Plaintiffs filed an Application to Amend the Writ of Summons, in an attempt to cure the said irregularities.

The Defendants' Setting Aside and/or Striking Out Applications are now fixed for hearing on 3 August 2009; and on the same date the Plaintiffs' Amendment Application is fixed for mention. In the event that the Defendants are successful in the Setting Aside and/or Striking Out Applications, then the Defendants' Amendment Application will not be heard, as the Suit would be struck out. On the contrary event that the Defendants are unsuccessful in the Setting Aside and/or Striking Out Applications, then the court will proceed to hear the Defendants' Amendment Applications.

The Senior Assistant Registrar of the Kuala Lumpur High Court had, on 3 August 2009, allowed and granted Orders in terms of the Defendants' Applications for Setting Aside and/or Striking Out and have Set Aside and/or Struck Out the Plaintiffs' Writ of Summons & Statement of Claim and the Suit as against the Defendants, with costs to be borne by the Plaintiffs.

Based on legal opinion, the directors are of the view that the suits by the former distributor and director have no basis and are unlikely to succeed. Accordingly, no provision has been made in the financial statements.

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**A13. Capital commitments**

	<b>As at 30.06.2009</b>
	<b>RM'000</b>
Approved and contracted for:~	
- contract sum for construction of R&D centre in College of Food Science & Nutritional Engineering, China Agriculture University, Beijing	701
- club membership	27
	<u>728</u>

**A14. Significant related party transactions**

There were no significant related party transactions for the financial period ended 30 June 2009 other than those disclosed as follows:-

	<b>RM'000</b>
** INS Holdings Berhad	
Office rental paid	<u>94</u>
** A company in which Datuk Yeat Sew Chuong, Wong Seng Tong, and Khoo Keat are shareholders and directors.	

The directors are of the opinion that the above transactions have been entered into the normal course of business and have been established under terms that were mutually agreed between the parties.

**A15. Cash and cash equivalents**

	<b>As at</b>
	<b>30.06.2009</b>
	<b>RM'000</b>
Other investment	1,092
Fixed deposits with licensed banks	4,255
Cash and bank balances	4,430
Bank overdrafts	(2,398)
	<u>7,379</u>

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**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET**

**B1. Review of performance**

The Group's total revenue for the quarter under review decreased to RM13.847 million as compared to RM22.289 million in the corresponding period of the preceding year. The Group's other operating income was RM2.110 million as compared to RM0.270 million reported in the corresponding period of the preceding year. The Group's profit before tax was RM0.217 million as compared to the RM1.062 million profit before tax reported in the corresponding period of the previous year. The lower revenue for the current quarter was mainly due to the stiff competition in the local market. The increase in other operating income mainly due to additional write back of allowance of doubtful debts for current quarter. The profit before tax decreased with the recognition of additional net allowance for doubtful debts of approximately RM0.628 million.

**B2. Variation of results against preceding quarter**

For the current financial quarter ended 30 June 2009, the Group recorded a total revenue and profit before taxation of RM13.847 million and RM0.217 million respectively, as compared to a total revenue and loss before taxation of RM4.860 million and RM11.030 million respectively as stated in the preceding financial quarter ended 31 March 2009. The Group recorded an increase in revenue of approximately RM8.987 million in the current quarter, mainly attributable to the newly launched products, namely "EZ100", "beauty kits", "PHCS" and "water filter".

**B3. Prospects**

Easy Pha-Max Marketing Sdn Bhd("EPMSB"), a subsidiary company of the Group being granted franchise license on 22 July 2009, where the company launches franchise model, namely "Easymall". Easymall is a franchise shop where EPMSB received franchise fee and allows franchisee to operate according to EPMSB business model and it increase the awareness on the Group's brands as well as to promote natural herbal products. The Group has received encouraging response and succeeded in launching the first two (2) Easymall in Kuantan, Pahang on 25 July 2009 and in Jelutong, Penang on 8 August 2009.

Barring any unforeseen circumstances, franchise model is expected to contribute positively to the Group's revenue for the remaining financial period.

In order to support the Group's development plan, the Group will continue to launch new products in the forthcoming quarter and these products are expected to further contribute to the Group's total revenue in year 2009. The prospects of the Group are also dependent on the progress of the market penetration of the Group's products.

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**B4. Profit forecast and profit guarantee**

The Group did not announce or disclose any profit forecast or profit guarantee during the current financial quarter under review.

**B5. Taxation**

	<b>3 months quarter ended 30.06.2009 RM'000</b>	<b>3 months (Cumulative) ended 30.06.2009 RM'000</b>
Current period taxation	<u>91</u>	<u>91</u>

The effective tax rate for current financial year presented above is higher than the statutory tax rate principally due to certain expenses being undeductible for tax purposes.

**B6. Disposal of and unquoted investments and/or properties**

There were no disposals of unquoted investments and/or properties of the Group during the current financial quarter under review.

**B7. Quoted securities**

There were no acquisitions or disposals of quoted and marketable securities during the current financial quarter under review.



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**B8. Status of corporate proposals**

There were no corporate proposals announced but not completed as at 21 August 2009 (being a date not earlier than seven days before the date of this announcement). The Company's entire issued and paid up capital of 286,680,020 ordinary shares of RM0.10 each were listed and quoted on 26 July 2005 on the Mesdaq market of Bursa Malaysia Securities Berhad. The proceeds from the Public Issue were received after the Company's listing. As at 21 August 2009, the status of utilisation of the proceeds from the Public Issue is as follows:-

		<b>Proceeds from IPO RM'000</b>	<b>Revision as approved by the Securities Commission (a) RM'000</b>	<b>Actual utilisation as at 21.08.2009 RM'000</b>	<b>Intended timeframe for utilization (b)</b>	<b>Balance unutilised RM'000</b>	<b>% unutilised</b>
1	R&D Centre and Manufacturing Plant	18,000	12,000	11,276	25 July 2010	724	6.03%
2	R&D Expenditure	4,000	4,000	929	25 July 2010	3,071	76.78%
3	Working Capital	1,088	5,088	5,088		-	-
4	Estimated Listing Expenses	2,000	2,000	2,000		-	-
5	Repayment of hire purchase facilities	-	2,000	2,000		-	-
		<u>25,088</u>	<u>25,088</u>	<u>21,293</u>		<u>3,795</u>	<u>15.13%</u>

Notes:-

- (a) On 16 January 2006, the Securities Commission had approved the reallocation of RM6 million from the unutilised proceeds for research and development ("R&D") centre and manufacturing plant to working capital (RM4 million) and repayment of hire purchase facilities (RM2 million) respectively.
- (b) On 13 August 2009, the Securities Commission had approved the extension of intended timeframe for utilisation of IPO funds to 25 July 2010 .

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### **B9. Group's borrowings and debt securities**

Details of Group's bank borrowings as at 30 June 2009 which are denominated in Ringgit Malaysia were as follows :-

	<b>As at 30.06.2009</b>
	<b>RM'000</b>
Short term borrowings:	
Secured	
- Hire purchase payables	220
- Bills payables	2,020
- Term loan	156
	<hr/>
	2,396
	<hr/>
Long term borrowings:	
Secured	
- Hire purchase payables	667
- Term loan	2,768
	<hr/>
	3,435
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Total borrowings	<hr/> <b>5,831</b> <hr/>

### **B10. Off balance sheet financial instruments**

The Group does not have any off balance sheet financial instruments as at the date of this announcement.

### **B11. Material litigations**

There were no other material litigations since the last financial period ended 31 March 2009 except for the following:-

- (i) Legal proceedings commenced by Ling Lit Yain (“Ling”) against Easy Pha-Max Marketing Sdn Bhd (“EPMSB”), a wholly owned subsidiary of INSBIO

On 3 January 2006, EPMSB was served with a Writ of Summons and Statement of Claim dated 28 December 2005 by Ling bearing the Civil Suit No. S6-22-925-2005.

Ling filed a claim against EPMSB for a purported sum of RM3,719,591.98 being his alleged loss of commission for the period from July 1999 to 31 December 2005, together with interest at 8% per annum on the sum of RM3,719,591.98 effective from 1 January 2005; and a further loss of commission and bonus from 1 January 2005 to the date of the writ of summons to be assessed by court, as well as interest together with general damages to be assessed and interest until full realisation.

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**B11. Material litigations (Cont'd)**

- (i) Legal proceedings commenced by Ling Lit Yain (“Ling”) against Easy Pha-Max Marketing Sdn Bhd (“EPMSB”), a wholly owned subsidiary of INSBIO (Cont'd)

EPMSB had filed an application to strike out the Writ of Summons and Statement of Claim on 24 November 2006. On 6 September 2007, the judge has ordered to consolidate this case with another case bearing Civil Suit no. S5-22-445-2001 (“2001 Case”). Consequently, all the file would be transferred to 2001 Case. As EPMSB has applied to strike out the Writ and Statement of Claims for both cases, the court has fixed a hearing date on 24 April 2009 for the striking out application of the 2001 Case.

Meanwhile, the solicitors of the Plaintiff had filed an application for discharge from acting as solicitors to the Plaintiff and such application was approved on the hearing date held on 3 March 2009.

Subsequent to the hearing date on 24 April 2009, the Court had on 28 April 2009 struck out the Writ & Statement of Claim for both cases with costs. Hence, there is no more action from the Plaintiff against the Company.

EPMSB’s solicitors had filed in the Draft Order and is waiting for the approval from the Court. EPMSB have instructed the solicitors to claim cost from the Plaintiff.

The Court had issued the Proof copy of the Order and EPMSB’s solicitors had filed the faircopy on 8 July 2009 and is awaiting Court to issue the Sealed copy for service.

- (ii) Legal proceedings commenced by EPMSB against Hon Kwee Chian

On 16 January 2006, EPMSB had filed a Writ of Summons and Statement of Claim against Hon Kwee Chian in the Kuala Lumpur High Court bearing Civil Suit No. S2-23-8-2006.

Mr. Hon Kwee Chian was a distributor of EPMSB. The Claim filed against Mr. Hon Kwee Chian are for defamation as a result of the publication of several defamatory statements in connection with EPMSB and EPMSB's way of trade and business carried on by EPMSB at the time of publications to disparage EPMSB's reputation.

On 3 August 2007, the Court had awarded EPMSB the sum of RM50,000 as damages with interest rate of 8% per annum from 3 August 2007 until the date of full realization. A copy of the certified true copy of the sealed Penghakiman dated 3 August 2007 was served on 10 October 2007.

EPMSB had instructed its solicitors to file a bankruptcy notice against Mr. Hon Kwee Chian.

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**B11. Material litigations (Cont'd)**

(iii) Legal proceedings commenced by EPMSB against Yigaho Corporation Sdn Bhd (“Yigaho”)

EPMSB had on 4 January 2006 filed a Writ of Summons and Statement of Claim against Yigaho in the Kuala Lumpur High Court bearing Civil Suit No. S3-23-1-2006.

EPMSB is seeking, amongst others, damages for libel, aggravated and exemplary damages, interest and costs and an injunction restraining Yigaho from further publishing any publications containing the above statements or any similar words defamatory to EPMSB.

The case management has been postponed to 26 August 2009.

(iv) Legal proceedings commenced by Lim Soon Hooi (“LSH”) against EPMSB and The Origin Foods Sdn Bhd (“TOF”), wholly owned subsidiaries of INSBIO.

On 14 June 2006, EPMSB and TOF were served with a Writ of Summons and Statement of Claim dated 9 March 2006 by LSH in the Kuala Lumpur High Court bearing Civil Suit No. S2-22-198-2006.

LSH filed a claim against EPMSB and TOF (collectively referred to as the “Defendants”) for a sum of RM277,960.00 being total royalty payable to LSH as at 31 December 2004, interest on the sum of RM277,960.00 at a rate which the Court think fit and proper from 1 January 2005 until the date of judgment and interest at 8% per annum on the sum of RM277,960.00 from the date of judgment until the date of full realisation.

The next case management date has been fixed for 10 September 2009.

(v) Legal proceedings commenced by EPMSB against Lim Chiew Yin (“LCY”) and Yigaho Corporation Sdn Bhd (“Yigaho”)

EPMSB had on 15 June 2006 filed a Writ of Summons and Statement of Claim against LCY and Yigaho in the Kuala Lumpur High Court bearing Civil Suit No. S5-23-62-2006 for having published or caused to be published the defamatory statement against EPMSB on page 71 of the 10th Edition (September 2005 issue) of the Global Business Magazine, which at all material time was a popular business magazine widely read by the Malaysian direct sales circles, under the sub-title “Yigaho Group”.

EPMSB is seeking, amongst others, general damages, aggravated and exemplary damages, an injunction restraining LCY, Yigaho and/or their servant from repeating the above statement, or any part thereof, interest and cost and such other relief which the Court may deem fit and proper to grant.

The case has been fixed for Case Management on 7 September 2009.

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**B11. Material litigations (Cont'd)**

- (vii) Legal proceedings commenced by Lee Pak Choong and 82 other Plaintiffs against EPMSB, INSBIO and 6 (six) other Defendants

EPMSB was served with the Writ of Summons and Statement of Claim of Lee Pak Choong and 82 other Plaintiffs (collectively referred to as the "Plaintiffs") dated 11 March 2009 for the alleged breach of agreement and fraudulent misrepresentation on 23 March 2009, while INSBIO only received service at its registered office address on 27 March 2009 bearing Civil Suit No. D-22-446-2009.

The Plaintiffs filed a claim against EPMSB, INSBIO and six (6) other Defendants (collectively referred to as the "Defendants") for a sum of RM9,968,000.00 being the purported sum of monies claimed by the Plaintiffs, general damages, exemplary damages and aggravated damages to be assessed by the Court, an interest at the rate of 8% per annum on the RM9,968,000.00 and general damages respectively from the date of filing of the Writ of Summons until date of full settlement, costs on solicitor-client basis, costs and such other relief as the Court deems fit and proper.

EPMSB, INSBIO & the other Defendants had entered Conditional Appearance and filed Applications for Setting Aside and/or Striking Out of the aforesaid suit on 31 March 2009 and 14 April 2009 respectively.

These were done, on the grounds of irregularities on the said Writ of Summons and Statement of Claim including, *inter alia*, not properly and correctly identifying the Plaintiffs to the Suit, which had rendered the said Writ of Summons and Statement of Claim defective and null and void.

In response thereto the Defendants' Setting Aside and/or Striking Out Applications, on 11 June 2009, the Plaintiffs filed an Application to Amend the Writ of Summons, in an attempt to cure the said irregularities.

The Defendants' Setting Aside and/or Striking Out Applications are now fixed for hearing on 3 August 2009; and on the same date the Plaintiffs' Amendment Application is fixed for mention. In the event that the Defendants are successful in the Setting Aside and/or Striking Out Applications, then the Defendants' Amendment Application will not be heard, as the Suit would be struck out. On the contrary event that the Defendants are unsuccessful in the Setting Aside and/or Striking Out Applications, then the court will proceed to hear the Defendants' Amendment Applications.

The Senior Assistant Registrar of the Kuala Lumpur High Court had, on 3 August 2009, allowed and granted Orders in terms of the Defendants' Applications for Setting Aside and/or Striking Out and have Set Aside and/or Struck Out the Plaintiffs' Writ of Summons & Statement of Claim and the Suit as against the Defendants, with costs to be borne by the Plaintiffs.

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**B11. Material litigations (Cont'd)**

- (viii) Legal proceedings commenced by EPMSB, INSBIO, Datuk Yeat Sew Chuong and Hewo Sdn Bhd against Lee Pak Choong, Leong Yin Yat and Wong Pin Ching

EPMSB, INSBIO, Datuk Yeat Sew Chuong and another (collectively referred to as the “Plaintiffs”) had on 3 April 2009 filed a Writ of Summons at the High Court of Malaya, Kuala Lumpur against Lee Pak Choong, Leong Yin Yat and Wong Pin Ching (collectively referred to as the “Defendants”) for slander and libel bearing Civil Suit No. S-23-20-2009.

The particulars of the claims by the Plaintiffs against the Defendants are for unspecified general damages, aggravated damages and exemplary damages for slander and libel.

- (ix) Legal proceedings commenced by EPMSB, INSBIO, Datuk Yeat Sew Chuong and Hewo Sdn Bhd against Joseph Iruthayam

EPMSB, INSBIO, Datuk Yeat Sew Chuong and another (collectively referred to as the “Plaintiffs”) had on 20 April 2009 filed a Writ of Summons at the High Court of Malaya, Kuala Lumpur against Joseph Iruthayam (“Defendant”) for slander and libel bearing Civil Suit No. S-23-27-2009.

The particulars of the claims by the Plaintiffs against the Defendant are for unspecified general damages, aggravated damages and exemplary damages for slander and libel.

- (x) Legal proceedings commenced by Visiber Sdn Bhd (“Plaintiff”) against Bio K Energy Marketing Sdn Bhd (“First Defendant”) and EPMSB

EPMSB, a wholly-owned subsidiary of INSBIO had on 19 June 2009 been served with a Writ of Summons dated 25 May 2009, Amended Statement of Claim dated 4 June 2009, Summons in Chambers dated 10 June 2009 and Affidavit in Support affirmed on 9 June 2009 bearing Kuala Lumpur High Court Civil Suit No. D-22-972-2009 (“the Civil Suit”).

The Plaintiff claims to own the following Intellectual Property Rights (“IPR”) in its products: registered Industrial Designs, registered Trade Marks and Get Up. The First Defendant consigned its products to EPMSB to be sold via EPMSB’s physical shop and website. The Plaintiff alleges that these products infringed its IPR. As a result of this, EPMSB was named as a defendant in the Civil Suit wherein the Plaintiff’s claim is, inter alia, for the alleged infringement of the Plaintiff’s industrial designs and/or trademark. The Plaintiff seeks, inter alia, a declaration of infringement and passing off, injunctive relief, an inquiry as to damages and costs against First Defendant and EPMSB.

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**B11. Material litigations (Cont'd)**

- (x) Legal proceedings commenced by Visiber Sdn Bhd (“Plaintiff”) against Bio K Energy Marketing Sdn Bhd (“First Defendant”) and EPMSB (cont'd)

The solicitors of EPMSB had on 21 August 2009 successfully argued and opposed the Plaintiff’s application for an interim injunction against EPMSB. The Court allowed the Plaintiff’s application only as against the First Defendant.

**B12. Dividends**

The Board of Directors did not recommend any interim dividends in respect of the current financial quarter under review.

**B13. Earnings per share**

	<b>Individual Quarter Current Quarter Ended 30.06.2009</b>	<b>Cumulative Quarter Current Year-To- date 30.06.2009</b>
<b>(a) Basis earnings per share attributable to equity holders of the parent</b>		
Net profit after tax attributable to equity holders of the parent (RM’000)	126	126
Weighted average number of ordinary shares (‘000)	286,609	286,609
<b>Earnings per share (sen)</b>	<u>0.04</u>	<u>0.04</u>
<b>(b) Fully diluted earnings per share</b>	<u>N/A</u>	<u>N/A</u>

**B14. Authorisation For Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 24 August 2009.

By Order of the Board,  
 Yeap Kok Leong (MAICSA NO: 0862549)  
 Company Secretary  
 Kuala Lumpur  
 Date: 24 August 2009.