

**INS BIOSCIENCE BERHAD (Company No: 623239-V)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2012**  
(The figures have not been audited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>CURRENT YEAR QUARTER</u> 30/9/12 RM'000	<u>PRECEDING YEAR CORRESPONDING QUARTER</u> 30/9/11 RM'000	<u>CURRENT YEAR TO DATE</u> 30/9/12 RM'000	<u>PRECEDING YEAR CORRESPONDING PERIOD</u> 30/9/11 RM'000
REVENUE	5,454	6,501	5,454	6,501
COST OF SALES	(3,840)	(3,225)	(3,840)	(3,225)
GROSS PROFIT	1,614	3,276	1,614	3,276
OTHER INCOME	86	2,005	86	2,005
SELLING AND DISTRIBUTIONS EXPENSES	(250)	(681)	(250)	(681)
ADMINISTRATIVE EXPENSES	(1,412)	(3,087)	(1,412)	(3,087)
OTHER OPERATING EXPENSES	(300)	(808)	(300)	(808)
SHARE OF RESULT OF JOINTLY CONTROLLED ENTITY	-	(408)	-	(408)
FINANCE COSTS	(191)	(195)	(191)	(195)
(LOSS)/PROFIT BEFORE TAXATION	(453)	102	(453)	102
TAX EXPENSE	-	-	-	-
NET (LOSS)/PROFIT FOR THE PERIOD	(453)	102	(453)	102
OTHER COMPREHENSIVE (EXPENSES) /INCOME				
Exchange Fluctuation Reserve	-	-	-	-
TOTAL COMPREHENSIVE (EXPENSES)/INCOME FOR THE PERIOD	(453)	102	(453)	102
(Loss) /Profit attributable to:				
Equity holders of the parent Company	(453)	138	(453)	138
Minority interest	-	(36)	-	(36)
	(453)	102	(453)	102
Total comprehensive (expenses)/income attributable to:				
Equity holders of the parent Company	(453)	138	(453)	138
Minority interest	-	(36)	-	(36)
	(453)	102	(453)	102
(Loss)/Earnings per share (sen)				
Basic	(0.16)	0.05	(0.16)	0.05
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 period ended 30 June 2012.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2012**  
(The figures have not been audited)

	<u>(UNAUDITED)</u>	<u>(AUDITED)</u>
	<u>As at 30/09/12</u> <u>RM'000</u>	<u>As at 30/6/2012</u> <u>RM'000</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	21,589	21,984
Other investments	63	63
Intangible assets	250	275
	<u>21,902</u>	<u>22,322</u>
<b>Current assets</b>		
Inventories	2,335	2,518
Trade and other receivables	9,757	10,785
Amount owing by a related party	74	74
Tax refundable	23	93
Deposits with licensed banks	2,789	2,757
Cash and bank balances	176	414
	<u>15,154</u>	<u>16,641</u>
<b>TOTAL ASSETS</b>	<u>37,056</u>	<u>38,963</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to the equity holders of the parent</b>		
Share capital	28,668	28,668
Share premium	15,785	15,785
Treasury share	(110)	(110)
Foreign exchange reserve	338	338
Revaluation reserve	7,386	7,386
Accumulated losses	(46,048)	(45,595)
	<u>6,019</u>	<u>6,472</u>
Minority interest	(70)	(70)
<b>TOTAL EQUITY</b>	<u>5,949</u>	<u>6,402</u>
<b>Non-current liabilities</b>		
Long-term borrowings	3,915	4,014
Deferred tax liabilities	425	425
	<u>4,340</u>	<u>4,439</u>
<b>Current liabilities</b>		
Trade and other payables	13,455	13,917
Advances received from distributors	6,084	7,062
Amount due to directors	837	763
Amount due to a shareholder	16	16
Short-term borrowings	3,030	2,902
Provision for taxation	2	-
Bank overdrafts	3,343	3,462
	<u>26,767</u>	<u>28,122</u>
<b>TOTAL LIABILITIES</b>	<u>31,107</u>	<u>32,561</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>37,056</u>	<u>38,963</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.02</u>	<u>0.02</u>

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**INS BIOSCIENCE BERHAD (Company No: 623239-V)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2012  
(The figures have not been audited)**

	Issued and fully paid ordinary shares of RM0.10 each		Non- Distributable Share Premium	Treasury Shares	Foreign Exchange Reserve	Revaluation Reserve	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	RM'000	RM'000	RM'000
Balance at 1 April 2011 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(110)	322	-	(26,751)	17,914	280	18,194
Foreign currency translation					16			16	-	16
Total comprehensive expenses for the financial period	-	-	-	-	-	-	(18,844)	(18,844)	(350)	(19,194)
Other comprehensive income for the financial period, net of tax - Surplus on revaluation of properties	-	-	-	-	-	7,386	-	7,386	-	7,386
At 30 June 2012 / 1 July 2012 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(110)	338	7,386	(45,595)	6,472	(70)	6,402
Total comprehensive expenses for the financial period	-	-	-	-	-	-	(453)	(453)	-	(453)
At 30 September 2012 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(110)	338	7,386	(46,048)	6,019	(70)	5,949

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2012  
(The figures have not been audited)**

	<b>CURRENT FINANCIAL PERIOD TO DATE 30/09/2012 RM'000</b>	<b>AUDITED FINANCIAL YEAR ENDED 30/6/2012 RM'000</b>
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
Loss before taxation	(453)	(19,218)
Adjustments for:-		
Allowance for impairment losses on receivables	-	2,595
Allowance for slow moving inventory	-	87
Amortisation of intangible assets	25	125
Depreciation of property, plant & equipment	414	3,950
Gain on disposal of plant and equipment	-	(15)
Impairment loss on goodwill	-	1,822
Impairment loss on an amount owing by a jointly controlled entity	-	1,703
Impairment loss on property, plant and equipment	-	5,237
Interest expense	191	883
Interest income	(18)	(82)
Loss on disposal of plant and equipment	-	46
Plant and equipment written off	-	166
Provision for writeback of forfeited income	121	287
Share of loss in jointly controlled entity	-	1,305
Writeback of impairment losses on receivables	-	(2,306)
Operating profit before working capital changes	<u>280</u>	<u>(3,415)</u>
Net changes in current assets	1,209	4,477
Net changes in current liabilities	<u>(1,486)</u>	<u>(5,606)</u>
Cash for operations	3	(4,544)
Interest paid	(191)	(883)
Income tax refunded	72	277
<b>NET CASH FOR OPERATING ACTIVITIES</b>	<u>(116)</u>	<u>(5,150)</u>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	18	82
Advances to a jointly controlled entity	-	(139)
Proceeds from disposal of plant and equipment	-	17
Purchase of property, plant and equipment	<u>(18)</u>	<u>(730)</u>
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<u>-</u>	<u>(770)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of term loan	(34)	(285)
Advances from a shareholder	-	16
Advances from directors	-	763
Net drawdown of bills payable	123	1,992
Repayment of hire purchase obligations	<u>(60)</u>	<u>(460)</u>
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<u>29</u>	<u>2,026</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENT</b>	(87)	(3,894)
<b>EFFECTS OF FOREIGN EXCHANGE</b>	-	38
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	(291)	3,565
<b>CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD (NOTE A15)</b>	<u>(378)</u>	<u>(291)</u>

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