

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2012**
(The figures have not been audited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>CURRENT YEAR QUARTER</u> 31/12/2012 RM'000	<u>PRECEDING YEAR CORRESPONDING QUARTER</u> 31/12/2011 RM'000	<u>CURRENT YEAR TO DATE</u> 31/12/2012 RM'000	<u>PRECEDING YEAR CORRESPONDING PERIOD</u> 31/12/2011 RM'000
REVENUE	2,552	7,508	8,006	14,009
COST OF SALES	(2,254)	(5,091)	(6,094)	(8,316)
GROSS PROFIT	298	2,417	1,912	5,693
OTHER INCOME	2,287	3,241	2,373	5,246
SELLING AND DISTRIBUTIONS EXPENSES	(180)	(707)	(430)	(1,388)
ADMINISTRATIVE EXPENSES	(798)	(2,651)	(2,210)	(5,738)
OTHER OPERATING EXPENSES	(1,718)	(1,496)	(2,018)	(2,304)
SHARE OF RESULT OF JOINTLY CONTROLLED ENTITY	-	(478)	-	(886)
FINANCE COSTS	(77)	(183)	(268)	(378)
(LOSS)/PROFIT BEFORE TAXATION	(188)	143	(641)	245
TAX EXPENSE	-	(11)	-	(11)
NET (LOSS)/PROFIT FOR THE PERIOD	(188)	132	(641)	234
OTHER COMPREHENSIVE (EXPENSES) /INCOME				
Exchange Fluctuation Reserve	-	-	-	-
TOTAL COMPREHENSIVE (EXPENSES)/INCOME FOR THE PERIOD	(188)	132	(641)	234
(Loss) /Profit attributable to:				
Equity holders of the parent Company	(188)	122	(641)	260
Minority interest	-	10	-	(26)
	(188)	132	(641)	234
Total comprehensive (expenses)/income attributable to:				
Equity holders of the parent Company	(188)	122	(641)	260
Minority interest	-	10	-	(26)
	(188)	132	(641)	234
(Loss)/Earnings per share (sen)				
Basic	(0.07)	0.04	(0.22)	0.09
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 31 DECEMBER 2012
(The figures have not been audited)

	<u>(UNAUDITED)</u>	<u>(AUDITED)</u>
	<u>As at 31/12/12</u> <u>RM'000</u>	<u>As at 30/6/2012</u> <u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	21,083	21,984
Other investments	-	63
Intangible assets	225	275
	<u>21,308</u>	<u>22,322</u>
Current assets		
Inventories	1,698	2,518
Trade and other receivables	9,796	10,785
Amount owing by a related party	-	74
Tax refundable	34	93
Deposits with licensed banks	734	2,757
Cash and bank balances	331	414
	<u>12,593</u>	<u>16,641</u>
TOTAL ASSETS	<u>33,901</u>	<u>38,963</u>
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the parent		
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	(46,236)	(45,595)
	<u>5,831</u>	<u>6,472</u>
Minority interest	(70)	(70)
TOTAL EQUITY	<u>5,761</u>	<u>6,402</u>
Non-current liabilities		
Long-term borrowings	3,824	4,014
Deferred tax liabilities	425	425
	<u>4,249</u>	<u>4,439</u>
Current liabilities		
Trade and other payables	13,880	13,917
Advances received from distributors	4,612	7,062
Amount due to directors	1,044	763
Amount due to a shareholder	-	16
Short-term borrowings	1,415	2,902
Provision for taxation	-	-
Bank overdrafts	2,940	3,462
	<u>23,891</u>	<u>28,122</u>
TOTAL LIABILITIES	<u>28,140</u>	<u>32,561</u>
TOTAL EQUITY AND LIABILITIES	<u>33,901</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 SECOND QUARTER ENDED 31 DECEMBER 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	-	-	-	-	-	-	(641)	(641)	-	(641)
At 31 December 2012 (Nominal value at RM0.10 per share)	286,680	28,668	15,785	(110)	338	7,386	(46,236)	5,831	(70)	5,761

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2012
(The figures have not been audited)**

	CURRENT FINANCIAL PERIOD TO DATE 31/12/2012 RM'000	AUDITED FINANCIAL YEAR ENDED 30/6/2012 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before taxation	(641)	(19,218)
Adjustments for:-		
Allowance for impairment losses on receivables	-	2,595
Allowance for impairment losses on receivables no longer required	(27)	-
Allowance for slow moving inventory	-	87
Amortisation of intangible assets	50	125
Depreciation of property, plant & equipment	814	3,950
Deposit written off	154	-
Gain on disposal of plant and equipment	(126)	(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	535	883
Interest income	(37)	(82)
Loss on disposal of plant and equipment	90	46
Plant and equipment written off	66	166
Provision for writeback of forfeited income	444	287
Share of loss in jointly controlled entity	-	1,305
Writeback of impairment losses on receivables	-	(2,306)
Operating profit/(loss) before working capital changes	<u>1,322</u>	<u>(3,415)</u>
Net changes in current assets	1,737	4,477
Net changes in current liabilities	<u>(2,648)</u>	<u>(5,606)</u>
Cash from/(for) operations	411	(4,544)
Interest paid	(535)	(883)
Income tax refunded	60	277
NET CASH FOR OPERATING ACTIVITIES	<u>(64)</u>	<u>(5,150)</u>
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Interest received	37	82
Advances to a jointly controlled entity	-	(139)
Proceeds from disposal of plant and equipment	138	17
Purchase of property, plant and equipment	<u>(18)</u>	<u>(730)</u>
NET CASH FROM/(FOR) INVESTING ACTIVITIES	<u>157</u>	<u>(770)</u>
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES		
Repayment of term loan	(26)	(285)
Advances from a shareholder	-	16
Advances from directors	-	763
Net drawdown of bills payable	(1,577)	1,992
Repayment of hire purchase obligations	<u>(74)</u>	<u>(460)</u>
NET CASH (FOR)/FROM FINANCING ACTIVITIES	<u>(1,677)</u>	<u>2,026</u>
NET DECREASE IN CASH AND CASH EQUIVALENT	(1,584)	(3,894)
EFFECTS OF FOREIGN EXCHANGE	-	38
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	(291)	3,565
CASH AND CASH EQUIVALENT AT END OF THE FINANCIAL PERIOD (NOTE A16)	<u>(1,875)</u>	<u>(291)</u>

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