

BIO OSMO BHD
(Company No. 740838-A)
(Incorporated in Malaysia)

Quarterly report on consolidated results for the first quarter ended 30 September 2008.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30/09/2008 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2007 RM'000	CURRENT YEAR TO DATE 30/09/2008 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2007 RM'000
Revenue	5,978	10,993	5,978	10,993
Other income	84	8	84	8
Operating expenses	(9,189)	(8,238)	(9,189)	(8,238)
Finance cost	(849)	(951)	(849)	(951)
Operating Profit / (Loss) before tax	<u>(3,976)</u>	<u>1,812</u>	<u>(3,976)</u>	<u>1,812</u>
Taxation	-	(362)	-	(362)
Net Profit / (Loss) after tax	<u>(3,976)</u>	<u>1,450</u>	<u>(3,976)</u>	<u>1,450</u>
Attributable to:				
Equity holders of the parent company	<u>(3,976)</u>	<u>1,450</u>	<u>(3,976)</u>	<u>1,450</u>
Earnings per share:-				
(a) Basic (sen)	<u>(1.99)</u>	<u>0.89</u>	<u>(1.99)</u>	<u>0.89</u>
(b) Fully diluted (sen)	<u>(1.99)</u>	<u>0.89</u>	<u>(1.99)</u>	<u>0.89</u>

Note:

The unaudited condensed consolidated income statement should be read in conjunction with the audited financial statement for the financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2008

	UNAUDITED AS AT 30/09/2008 RM'000	AUDITED AS AT 30/06/2008 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	57,805	58,013
Other investment	3,500	3,500
Deferred Tax Assets	3,117	3,117
	<u>64,422</u>	<u>64,630</u>
Current assets		
Inventories	4,696	4,404
Trade receivables	19,784	21,841
Other receivables, deposits and prepayments	10,406	10,312
Cash on hand and at banks	2,855	5,001
Tax recoverable	1,150	1,227
	<u>38,891</u>	<u>42,785</u>
TOTAL ASSETS	103,313	107,415
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	40,000	40,000
Reserves	11,359	15,335
TOTAL EQUITY	<u>51,359</u>	<u>55,335</u>
Non-current liabilities		
Long term borrowings	43,204	42,837
Deferred taxation	-	-
	<u>43,204</u>	<u>42,837</u>
Current liabilities		
Trade payables	2,062	2,104
Other payables and accruals	1,782	1,378
Short term borrowings	4,906	5,761
	<u>8,750</u>	<u>9,243</u>
TOTAL LIABILITIES	51,954	52,080
TOTAL EQUITY AND LIABILITIES	103,313	107,415
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.2568</u>	<u>0.3117</u>

Note:

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statement for the financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial report.

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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2008

	CURRENT YEAR TO DATE 30/09/2008 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 30/09/2007 RM'000
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
(Loss) / Profit before tax	(3,976)	1,812
Adjustments for:		
Depreciation of property, plant and equipment	1,498	1,425
Interest Expense	842	951
Interest Income	(84)	-
Operating profit before working capital changes	<u>(1,720)</u>	<u>4,188</u>
(Increase) in inventories	(292)	(2,101)
Decrease/(Increase) in trade receivables	2,057	(1,116)
(Increase) in other receivables, deposits and prepayments	(94)	(241)
Increase/(Decrease) in trade payables	(41)	459
Increase/(Decrease) in other payables and accruals	404	(116)
Cash used in operations	<u>314</u>	<u>1,073</u>
Income tax paid	-	-
Net cash generated from operating activities	<u>314</u>	<u>1,073</u>
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Interest received	84	-
Purchase of property, plant and equipment	(1,290)	(1,297)
Net cash used in investing activities	<u>(1,206)</u>	<u>(1,297)</u>
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES		
Net proceeds/(repayment) of borrowings	(75)	727
Repayment of finance payables	(160)	-
Repayment of term loan	(253)	-
Finance costs paid	(842)	(951)
Net cash used in financing activities	<u>(1,330)</u>	<u>(224)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,222)	(448)
CURRENCY TRANSLATION DIFFERENCES	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	5,077	10,051
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>2,855</u>	<u>9,603</u>

Note:

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial report.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2008

	Share Capital RM'000	Distributable Retained Profit RM'000	Non- Distributable Share Premium RM'000	Non- Distributable Reserve on Consolidation RM'000	Total Equity RM'000
Balance as of 30 June 2008	40,000	12,482	2,853	-	55,335
Net profit / (Loss) for the quarter	-	(3,976)	-	-	(3,976)
Balance as of 30 June 2008	<u>40,000</u>	<u>8,506</u>	<u>2,853</u>	<u>-</u>	<u>51,359</u>

Note:

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the financial year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial report.