

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

Quarterly report on consolidated results for the first quarter ended 30 September 2009.

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30-09-2009 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2008 RM'000	CURRENT YEAR TO DATE 30-09-2009 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2008 RM'000
Revenue	3,607	5,978	3,607	5,978
Other income	38	84	38	84
Operating expenses	(5,426)	(9,189)	(5,426)	(9,189)
Finance cost	(1,047)	(849)	(1,047)	(849)
Operating Profit / (Loss) before tax	<u>(2,828)</u>	<u>(3,976)</u>	<u>(2,828)</u>	<u>(3,976)</u>
Taxation	-	-	-	-
Net Profit / (Loss) after tax	<u>(2,828)</u>	<u>(3,976)</u>	<u>(2,828)</u>	<u>(3,976)</u>
Attributable to:				
Equity holders of the parent company	<u>(2,828)</u>	<u>(3,976)</u>	<u>(2,828)</u>	<u>(3,976)</u>
Earnings per share:-				
(a) Basic (sen)	<u>(1.41)</u>	<u>(1.99)</u>	<u>(1.41)</u>	<u>(1.99)</u>
(b) Fully diluted (sen)	<u>(1.41)</u>	<u>(1.99)</u>	<u>(1.41)</u>	<u>(1.99)</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 2009 and the accompanying explanatory notes attached to the interim financial report.

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**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2009**

	<b>UNAUDITED AS AT 30-09-2009 RM'000</b>	<b>AUDITED AS AT 30-06-2009 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	51,824	53,314
Other investment	3,500	3,500
Deferred Tax Assets	-	-
	<b>55,324</b>	<b>56,814</b>
<b>Current assets</b>		
Inventories	1,427	1,562
Trade receivables	9,265	9,617
Other receivables, deposits and prepayments	10,419	11,025
Cash on hand and at banks	2,360	1,648
Tax recoverable	55	55
	<b>23,526</b>	<b>23,907</b>
<b>TOTAL ASSETS</b>	<b>78,850</b>	<b>80,721</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	40,000	40,000
Reserves	(19,137)	(16,309)
<b>TOTAL EQUITY</b>	<b>20,863</b>	<b>23,691</b>
<b>Non-current liabilities</b>		
Long term borrowings	43,812	43,312
Deferred taxation	-	-
	<b>43,812</b>	<b>43,312</b>
<b>Current liabilities</b>		
Trade payables	1,879	1,634
Other payables and accruals	1,876	1,581
Short term borrowings	10,420	10,503
	<b>14,175</b>	<b>13,718</b>
<b>TOTAL LIABILITIES</b>	<b>57,987</b>	<b>57,030</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>78,850</b>	<b>80,721</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<b>0.1043</b>	<b>0.1185</b>

Note:

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statement for the financial year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial report.

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL PERIOD ENDED 30TH SEPTEMBER 2009**

	CURRENT YEAR TO DATE 30-09-2009 RM'000	PRECEEDING YEAR CORRESPONDING PERIOD 30/09/2008 RM'000
<b>CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES</b>		
(Loss) / Profit before tax	(2,828)	(3,976)
Adjustments for:		
Depreciation of property, plant and equipment	1,499	1,498
Interest Expense	1,046	842
Interest Income	-	(84)
<b>Operating profit before working capital changes</b>	<u>(283)</u>	<u>(1,720)</u>
Decrease / (Increase) in inventories	135	(292)
Decrease in trade receivables	352	2,057
Increase in other receivables, deposits and prepayments	(46)	(94)
Increase/(Decrease) in trade payables	245	(41)
Increase in other payables and accruals	295	404
Cash used in operations	698	314
Income tax paid	-	-
<b>Net cash generated from operating activities</b>	<u>698</u>	<u>314</u>
<b>CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES</b>		
Interest received	-	84
Purchase of property, plant and equipment	(9)	(1,290)
<b>Net cash used in investing activities</b>	<u>(9)</u>	<u>(1,206)</u>
<b>CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES</b>		
Net proceeds/(repayment) of borrowings	(48)	(75)
Repayment of finance payables	(158)	(160)
Repayment of term loan	623	(253)
Finance costs paid	(1,046)	(842)
<b>Net cash used in financing activities</b>	<u>(629)</u>	<u>(1,330)</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>60</b>	<b>(2,222)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>2,300</b>	<b>5,077</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><b>2,360</b></u>	<u><b>2,855</b></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 2009 and the accompanying explanatory notes attached to the interim financial report.

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30TH SEPTEMBER 2009**

	Share Capital RM'000	Distributable Retained Profit RM'000	Non- Distributable Share Premium RM'000	Total Equity RM'000
Balance as of 1 July 2009	40,000	(19,162)	2,853	23,691
Net profit / (Loss) for the period	-	(2,828)	-	(2,828)
Balance as of 30 September 2009	<u>40,000</u>	<u>(21,990)</u>	<u>2,853</u>	<u>20,863</u>
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Balance as of 1st July 2008	40,000	12,482	2,853	55,335
Net profit / (Loss) for the quarter	-	(3,976)	-	(3,976)
Balance as of 30th September 2008	<u>40,000</u>	<u>8,506</u>	<u>2,853</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 2009 and the accompanying explanatory notes attached to the interim financial report.