

(Company No : 680889-W)

**SUNZEN BIOTECH BERHAD**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT AS AT 30 SEPTEMBER 2009**

**CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	Current Quarter Ended 30.09.2009 (Unaudited) RM'000	Corresponding Quarter Ended 30.09.2008 (Unaudited) RM'000	Current Year-To-Date Ended 30.09.2009 (Unaudited) RM'000	Corresponding Year-To-Date Ended 30.09.2008 (Unaudited) RM'000
Revenue	<b>6,921</b>	6,578	<b>19,784</b>	19,618
Operating profit	<b>2,098</b>	1,797	<b>6,211</b>	6,398
Operating expenses	<b>(1,442)</b>	(1,239)	<b>(4,655)</b>	(3,914)
Finance costs	<b>(117)</b>	(126)	<b>(315)</b>	(314)
Profit before taxation	<b>539</b>	432	<b>1,241</b>	2,170
Tax expenses	<b>(51)</b>	(47)	<b>(61)</b>	(265)
Profit after taxation	<b>488</b>	385	<b>1,180</b>	1,905
Attributable to:				
Ordinary equity share holders of the parent	<b>488</b>	385	<b>1,180</b>	1,905
Earnings per share (sen)				
Basic	<b>0.33</b>	0.51	<b>0.79</b>	2.51
Diluted	-	N/A	-	N/A

*Notes:-*

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to this interim financial report.

(Company No : 680889-W)

**SUNZEN BIOTECH BERHAD**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED BALANCE SHEETS  
AS AT 30 SEPTEMBER 2009**

	As At End Of Current Year Quarter 30.09.2009 (Unaudited) RM'000	As At Financial Year End 31.12.2008 (Audited) RM'000
<b>ASSETS</b>		
<b>Non - current assets</b>		
Property, plant and equipment	9,568	9,363
Product development expenditure	1,356	1,221
Goodwill	58	58
Quoted investment, at cost	11	11
	<b>10,993</b>	10,653
<b>Current assets</b>		
Inventories	11,515	10,712
Trade receivables	5,679	7,398
Other receivables, deposits and prepayments	228	66
Tax refundable	764	1,120
Amount owing by directors	-	-
Fixed and short term deposits with licensed banks	5,231	5,159
Cash and bank balances	4,436	3,828
	<b>27,853</b>	28,283
<b>TOTAL ASSETS</b>	<b>38,846</b>	38,936
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	14,939	14,939
Share Premium	3,520	3,520
Retained profits	13,393	14,006
Merger deficit	(8,397)	(8,397)
	<b>23,455</b>	24,068
<b>Non-current liabilities</b>		
Deferred taxation	434	424
Hire purchase payables	308	392
Term loans	3,821	4,214
	<b>4,563</b>	5,030
<b>Current Liabilities</b>		
Trade payables	4,220	3,699
Other payables and accruals	2,682	2,295
Amount owing to directors	33	166
Dividend payable	-	-
Hire purchase payables	112	108
Short term borrowings	3,781	3,570
	<b>10,828</b>	9,838
<b>TOTAL LIABILITIES</b>	<b>15,391</b>	14,868
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,846</b>	38,936
<b>Net assets per share attributable to ordinary equity holders of the parent (RM)</b>	<b>0.16</b>	0.16

Notes:-

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to this interim financial report.

The net assets per share attributable to ordinary equity holders is calculated based on net asset value and enlarged paid up capital of 149,390,500 shares.

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**SUNZEN BIOTECH BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	←	Attributable to Equity Holders of the Company			→
	Share Capital RM'000	Share Premium RM'000	Retained Profits RM'000	Merger Deficit RM'000	Total Equity RM'000
<b><u>12 months ended 31 December 2008</u></b>					
<b><u>(Audited)</u></b>					
Balance at 1 January 2008	10,398	-	12,111	(8,397)	14,112
Allotment during the financial year:					
- settlement of advances	2,041				2,041
- public issue	2,500	5,500			8,000
Profit for the financial year			1,895		1,895
Listing expenses		(1,980)			(1,980)
Balance at 31 December 2008	14,939	3,520	14,006	(8,397)	24,068
<b><u>9 months ended 30 September 2009</u></b>					
<b><u>(Unaudited)</u></b>					
Balance at 1 January 2009	14,939	3,520	14,006	(8,397)	24,068
Dividend			(1,793)		(1,793)
Profit for the year			1,180		1,180
Balance at 30 September 2009	14,939	3,520	13,393	(8,397)	23,455

Notes:-

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to this interim financial report.

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**SUNZEN BIOTECH BERHAD**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	<b>Current Year To Date Ended 30.09.2009 (Unaudited) RM'000</b>	<b>Corresponding Year To Date Ended 30.09.2008 (Unaudited) RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	1,241	2,170
<b>Adjustments for non-cash flow:-</b>		
Depreciation	385	172
Non-cash items	304	268
<b>Operating profit before working capital changes</b>	<u>1,930</u>	<u>2,610</u>
<b>Changes in working capital</b>	<u>1,832</u>	<u>(2,742)</u>
	<u>3,762</u>	<u>(132)</u>
Tax paid	(200)	(440)
Tax refunded	504	520
Interest paid	(295)	(300)
Net cash from operating activities	<u>3,771</u>	<u>(352)</u>
<b>Investing activities</b>		
Interest received	96	52
Income received from unit trust	-	-
Payment for product development expenditure	(242)	(214)
Purchase of property, plant and equipment	(592)	(278)
Proceeds from disposal of property, plant and equipment	4	-
Purchase of quoted shares	-	(2)
Net cash for investing activities	<u>(734)</u>	<u>(442)</u>
<b>Financing activities</b>		
Drawdown of term loan	-	123
Repayment of term loan	(352)	(285)
Repayment to directors	(132)	(32)
Repayment of hire purchase obligation	(80)	(18)
Payment of dividend	(1,793)	-
Net cash for financing activities	<u>(2,357)</u>	<u>(212)</u>
Net increase / (decrease) in cash and cash equivalents	<u>680</u>	<u>(1,006)</u>
Cash and cash equivalents at beginning of the period	<u>8,987</u>	<u>4,458</u>
Cash and cash equivalents at end of the period	<u>9,667</u>	<u>3,452</u>
Cash and cash equivalents comprise:		
Fixed and short term deposits with licensed banks	5,231	2,142
Cash and bank balances	4,436	1,310
	<u>9,667</u>	<u>3,452</u>

Notes:-

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to this interim financial report.