

(Company No : 680889-W)

SUNZEN BIOTECH BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2012

| | Current Quarter Ended 31.3.2012 (Unaudited) RM'000 | Corresponding Quarter Ended 31.3.2011 (Unaudited) RM'000 | Current Year-To-Date Ended 31.3.2012 (Unaudited) RM'000 | Corresponding Year-To-Date Ended 31.3.2011 (Unaudited) RM'000 |
|--|---|---|--|--|
| Revenue | 8,153 | 7,555 | 8,153 | 7,555 |
| Operating profit | 2,585 | 2,734 | 2,585 | 2,734 |
| Operating expenses | (1,887) | (1,830) | (1,887) | (1,830) |
| Finance costs | (108) | (112) | (108) | (112) |
| Profit before taxation | 590 | 792 | 590 | 792 |
| Tax expense | (171) | (168) | (171) | (168) |
| Profit after taxation | 419 | 624 | 419 | 624 |
| Other comprehensive income, net of tax | 2 | (1) | 2 | (1) |
| Total comprehensive income | 421 | 623 | 421 | 623 |
| Profit after taxation attributable to Owners of the Company: | 419 | 624 | 419 | 624 |
| Total comprehensive income attributable to Owners of the Company: | 421 | 623 | 421 | 623 |
| Earnings per share (sen) attributable to Owners of the Company: | | | | |
| - Basic | 0.28 | 0.42 | 0.28 | 0.42 |

Note:-

The above condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

(Company No : 680889-W)

SUNZEN BIOTECH BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2012

| | As At Current Year Quarter 31.3.2012 (Unaudited) RM'000 | As At Financial Year End 31.12.2011 (Audited) RM'000 |
|--|--|---|
| ASSETS | | |
| Non - current assets | | |
| Property, plant and equipment | 16,788 | 16,276 |
| Product development expenditure | 699 | 760 |
| Goodwill | 58 | 58 |
| Quoted investments | - | 5 |
| | <u>17,545</u> | <u>17,099</u> |
| Current assets | | |
| Inventories | 9,330 | 9,557 |
| Trade receivables | 6,593 | 6,390 |
| Other receivables, deposits and prepayments | 769 | 730 |
| Tax refundable | 205 | 194 |
| Fixed and short term deposits with licensed banks | 3,312 | 3,289 |
| Cash and bank balances with licensed banks and other financial institution | 7,072 | 7,086 |
| | <u>27,281</u> | <u>27,346</u> |
| TOTAL ASSETS | <u>44,826</u> | <u>44,345</u> |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Share capital | 14,939 | 14,939 |
| Share premium | 3,520 | 3,520 |
| Retained profits | 16,724 | 16,305 |
| Fair value reserve | - | * |
| Revaluation reserves | 3,178 | 3,178 |
| Merger deficit | (8,397) | (8,397) |
| Currency translation reserve | (27) | (29) |
| | <u>29,937</u> | <u>29,516</u> |
| Non-current liabilities | | |
| Deferred taxation | 593 | 580 |
| Hire purchase payables | 183 | 218 |
| Term loans | 5,246 | 5,377 |
| | <u>6,022</u> | <u>6,175</u> |
| Current Liabilities | | |
| Trade payables | 4,149 | 3,311 |
| Bill payable | 2,503 | 3,101 |
| Other payables and accruals | 1,546 | 1,575 |
| Amount owing to directors | 19 | ? |
| Hire purchase payables | 137 | 135 |
| Term loans | 507 | 499 |
| Provision for taxation | 6 | 31 |
| | <u>8,867</u> | <u>8,654</u> |
| TOTAL LIABILITIES | <u>14,889</u> | <u>14,829</u> |
| TOTAL EQUITY AND LIABILITIES | <u>44,826</u> | <u>44,345</u> |
| Net assets per share (RM) attributable to owners of the Company | <u>0.20</u> | <u>0.20</u> |

Note:-

* RM650

The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

The net assets per share attributable to owners of the Company is calculated based on net assets value and the issued paid up share 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 FINANCIAL PERIOD ENDED 31 MARCH 2012

| | Share Capital | | Non-distributable Fair Value Reserve | | Revaluation Reserves | Merger Deficit | Currency Translation Reserve | Distributable Retained Profits | Total Equity |
|---|---------------|--------|--------------------------------------|--------|----------------------|----------------|------------------------------|--------------------------------|--------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| 3 months ended 31 March 2012 (Unaudited) | | | | | | | | | |
| Balance at 1 January 2012 | 14,939 | 3,520 | * | 3,178 | (8,397) | (29) | 16,305 | 29,516 | |
| Total comprehensive income for the financial period | - | - | ** | - | - | 2 | 419 | 421 | |
| Balance at 31 March 2012 | 14,939 | 3,520 | - | 3,178 | (8,397) | (27) | 16,724 | 29,937 | |
| 3 months ended 31 March 2011 (Unaudited) | | | | | | | | | |
| Balance at 1 January 2011 | 14,939 | 3,520 | 5 | 3,179 | (8,397) | - | 15,219 | 28,965 | |
| Total comprehensive income for the financial period | - | - | (1) | - | - | - | 624 | 623 | |
| Balance at 31 March 2011 | 14,939 | 3,520 | 4 | 3,179 | (8,397) | - | 15,843 | 29,988 | |

Note:-

* RM650
** (RM650)

The above condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

(Company No : 680889-W)

SUNZEN BIOTECH BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2012

| | Current Year To Date Ended 31.3.2012 (Unaudited) RM'000 | Corresponding Year To Date Ended 31.3.2011 (Unaudited) RM'000 |
|--|---|---|
| Cash flows from/(for) operating activities | | |
| Profit before taxation | 590 | 792 |
| Adjustments for:- | | |
| Depreciation of property, plant and equipment | 153 | 122 |
| Non-cash items | 103 | 280 |
| Operating profit before working capital changes | 846 | 1,194 |
| Changes in working capital | 232 | (954) |
| Tax paid | 1,078 | 240 |
| Interest paid | (193) | (121) |
| Net cash from operating activities | 781 | 19 |
| Cash flows from/(for) investing activities | | |
| Interest received | 24 | 38 |
| Purchase of property, plant and equipment | (665) | (182) |
| Proceeds from disposal of quoted investment | 6 | - |
| Net cash for investing activities | (635) | (144) |
| Cash flows from/(for) financing activities | | |
| Drawdown of term loans | - | 665 |
| Repayment of term loans | (122) | (74) |
| Advances from/(Repayment to) directors | 16 | (69) |
| Repayment of hire purchase obligations | (33) | (21) |
| Payment of dividend | - | (596) |
| Net cash for financing activities | (139) | (395) |
| Net increase/(decrease) in cash and cash equivalents | 7 | (520) |
| Cash and cash equivalents at beginning of the financial period | 10,375 | 11,400 |
| Foreign exchange difference | 2 | - |
| Cash and cash equivalents at end of the financial period | 10,384 | 10,880 |
| Cash and cash equivalents comprise: | | |
| Fixed and short term deposits with licensed banks | 3,312 | 4,666 |
| Cash and bank balances with licensed banks and other financial institution | 7,072 | 6,214 |
| | 10,384 | 10,880 |

Note:-

The above condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.