

(Company No : 680889-W)

**SUNZEN BIOTECH BERHAD**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

	Current Quarter Ended 30.6.2013 (Unaudited) RM'000	Corresponding Quarter Ended 30.6.2012 (Unaudited) RM'000	Current Year-To-Date Ended 30.6.2013 (Unaudited) RM'000	Corresponding Year-To-Date Ended 30.6.2012 (Unaudited) RM'000
Revenue	8,553	7,947	16,727	16,100
<b>Operating profit</b>	<b>2,990</b>	2,583	<b>5,704</b>	5,168
Operating expenses	(2,136)	(2,107)	(3,966)	(3,994)
Finance costs	(84)	(113)	(171)	(221)
<b>Profit before taxation</b>	<b>770</b>	363	<b>1,567</b>	953
Tax expense	(125)	(123)	(254)	(294)
<b>Profit after taxation</b>	<b>645</b>	240	<b>1,313</b>	659
<b>Other comprehensive income, net of tax</b> <i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation	-	4	9	6
<b>Total comprehensive income</b>	<b>645</b>	244	<b>1,322</b>	665
Profit after taxation attributable to Owners of the Company:	<b>645</b>	240	<b>1,313</b>	659
Total comprehensive income attributable to Owners of the Company:	<b>645</b>	244	<b>1,322</b>	665
Earnings per share (sen) attributable to Owners of the Company:				
- Basic	<b>0.43</b>	0.16	<b>0.88</b>	0.44

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 2012 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 30 JUNE 2013**

	As At Current Year Quarter 30.6.2013 (Unaudited) RM'000	As At Financial Year End 31.12.2012 (Audited) RM'000
<b>ASSETS</b>		
<b>Non - current assets</b>		
Property, plant and equipment	16,098	16,379
Product development expenditure	197	321
Goodwill	58	58
	<u>16,353</u>	<u>16,758</u>
<b>Current assets</b>		
Inventories	11,507	9,244
Trade receivables	6,718	7,171
Other receivables, deposits and prepayments	931	407
Tax refundable	123	107
Fixed and short term deposits with licensed banks	3,322	2,286
Cash and bank balances with licensed banks and other financial institution	4,364	5,284
	<u>26,965</u>	<u>24,499</u>
<b>TOTAL ASSETS</b>	<u>43,318</u>	<u>41,257</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	14,939	14,939
Share premium	3,520	3,520
Treasury shares	(12)	(12)
Retained profits	18,139	16,826
Revaluation reserves	3,177	3,177
Merger deficit	(8,397)	(8,397)
Currency translation reserve	(26)	(35)
	<u>31,340</u>	<u>30,018</u>
<b>Non-current liabilities</b>		
Deferred taxation	533	524
Hire purchase payables	46	84
Term loans	4,574	4,849
	<u>5,153</u>	<u>5,457</u>
<b>Current Liabilities</b>		
Trade payables	4,531	3,157
Bill payable	629	1,247
Other payables and accruals	1,018	716
Amount owing to directors	5	2
Hire purchase payables	101	133
Term loans	541	527
	<u>6,825</u>	<u>5,782</u>
<b>TOTAL LIABILITIES</b>	<u>11,978</u>	<u>11,239</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>43,318</u>	<u>41,257</u>
<b>Net assets per share (RM) attributable to owners of the Company</b>	<u>0.21</u>	<u>0.20</u>

Note:-

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 2012 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 149,330,500 shares (149,330,500 shares - 2012) excluding treasury shares.

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**SUNZEN BIOTECH BERHAD**

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

	←-----			Non-distributable		-----→		Distributable	
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Fair Value Reserve RM'000	Revaluation Reserves RM'000	Merger Deficit RM'000	Currency Translation Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
<b>Quarter ended 30 June 2013</b>									
<b>(Unaudited)</b>									
<b>Balance at 1 January 2013</b>	14,939	3,520	(12)	-	3,177	(8,397)	(35)	16,826	30,018
Profit after taxation for the financial period	-	-	-	-	-	-	-	1,313	1,313
Other comprehensive income for the financial period, net of tax:									
- Foreign currency translation	-	-	-	-	-	-	9	-	9
Total comprehensive income for the financial period	-	-	-	-	-	-	9	1,313	1,322
<b>Balance at 30 June 2013</b>	<b>14,939</b>	<b>3,520</b>	<b>(12)</b>	<b>-</b>	<b>3,177</b>	<b>(8,397)</b>	<b>(26)</b>	<b>18,139</b>	<b>31,340</b>
<b>Quarter ended 30 June 2012</b>									
<b>(Unaudited)</b>									
<b>Balance at 1 January 2012</b>	14,939	3,520	-	*	3,178	(8,397)	(29)	16,305	29,516
Profit after taxation for the financial period	-	-	-	-	-	-	-	659	659
Other comprehensive income for the financial period, net of tax:									
- Foreign currency translation	-	-	-	-	-	-	6	-	6
- Fair value changes of available-for-sale financial asset	-	-	-	**	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	-	-	-	6	659	665
<b>Balance at 30 June 2012</b>	<b>14,939</b>	<b>3,520</b>	<b>-</b>	<b>-</b>	<b>3,178</b>	<b>(8,397)</b>	<b>(23)</b>	<b>16,964</b>	<b>30,181</b>

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 2012 and the accompanying explanatory notes attached to the interim financial statements.

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**SUNZEN BIOTECH BERHAD**

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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

	<b>Current Year To Date Ended 30.6.2013 (Unaudited) RM'000</b>	<b>Corresponding Year To Date Ended 30.6.2012 (Unaudited) RM'000</b>
<b>Cash flows from/(for) operating activities</b>		
Profit before taxation	1,567	953
<b>Adjustments for:-</b>		
Amortisation of product development expenditure	124	123
Depreciation of property, plant and equipment	239	309
Interest expense	162	211
Plant and equipment written off	-	3
Inventories written off	34	84
Gain on disposal of quoted shares	-	(2)
Interest income	(42)	(48)
Provision for doubtful debt	18	-
Unrealised (gain)/loss on foreign exchange	(10)	5
Operating profit before working capital changes	<u>2,092</u>	<u>1,638</u>
Increase in inventories	(2,297)	(902)
(Increase)/Decrease in trade and other receivables	(68)	237
Increase/(Decrease) in trade and other payables	<u>1,100</u>	<u>(269)</u>
<b>Cash from operations</b>	<u>827</u>	<u>704</u>
Net tax paid	(261)	(185)
Interest paid	(164)	(213)
<b>Net cash from operating activities</b>	<u>402</u>	<u>306</u>
<b>Cash flows from/(for) investing activities</b>		
Interest received	42	48
Purchase of property, plant and equipment	(25)	(717)
Proceeds from disposal of quoted shares	-	6
<b>Net cash from/(for) investing activities</b>	<u>17</u>	<u>(663)</u>
<b>Cash flows from/(for) financing activities</b>		
Repayment of term loans	(259)	(245)
Advances from/(repayment to) directors	3	(1)
Repayment of hire purchase obligations	(70)	(66)
<b>Net cash for financing activities</b>	<u>(326)</u>	<u>(312)</u>
Net increase/(Decrease) in cash and cash equivalents	93	(669)
Cash and cash equivalents at beginning of the financial period	7,570	10,375
Foreign exchange difference	23	6
<b>Cash and cash equivalents at end of the financial period</b>	<u>7,686</u>	<u>9,712</u>
<b>Cash and cash equivalents comprise:</b>		
Fixed and short term deposits with licensed banks	3,322	3,336
Cash and bank balances with licensed banks and other financial institution	<u>4,364</u>	<u>6,376</u>
	<u>7,686</u>	<u>9,712</u>

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 2012 and the accompanying explanatory notes attached to the interim financial statements.