

(Company No : 680889-W)

SUNZEN BIOTECH BERHAD

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

	Current Quarter Ended 31.12.2013 (Unaudited) RM'000	Corresponding Quarter Ended 31.12.2012 (Unaudited) RM'000	Current Year-To-Date Ended 31.12.2013 (Unaudited) RM'000	Corresponding Year-To-Date Ended 31.12.2012 (Audited) RM'000
Revenue	11,619	8,522	37,326	32,796
Operating profit	4,199	2,568	13,077	10,768
Operating expenses	(2,718)	(2,261)	(8,544)	(8,494)
Finance costs	(100)	(100)	(358)	(427)
Profit before taxation	1,381	207	4,175	1,847
Tax expense	(142)	31	(581)	(430)
Profit after taxation	1,239	238	3,594	1,417
Other comprehensive income, net of tax <i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation	(79)	(10)	(63)	(7)
Total comprehensive income	1,160	228	3,531	1,410
Profit after taxation attributable to Owners of the Company:	1,239	238	3,594	1,417
Total comprehensive income attributable to Owners of the Company:	1,160	228	3,531	1,410
Earnings per share (sen) attributable to Owners of the Company:				
- Basic	0.83	0.16	2.41	0.95

Note:-

The above condensed consolidated statement of profit and loss and other 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 STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013**

	As At Financial Year End 31.12.2013 (Unaudited) RM'000	As At Financial Year End 31.12.2012 (Audited) RM'000
ASSETS		
Non - current assets		
Property, plant and equipment	16,054	16,379
Product development expenditure	73	321
Goodwill	58	58
	<u>16,185</u>	<u>16,758</u>
Current assets		
Inventories	11,973	9,244
Trade receivables	9,265	7,171
Other receivables, deposits and prepayments	290	407
Tax refundable	157	107
Fixed and short term deposits with licensed banks	3,252	2,286
Cash and bank balances with licensed banks and other financial institution	4,709	5,284
	<u>29,646</u>	<u>24,499</u>
TOTAL ASSETS	<u>45,831</u>	<u>41,257</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	14,939	14,939
Share premium	3,520	3,520
Treasury shares	(14)	(12)
Retained profits	19,525	16,826
Revaluation reserves	3,176	3,177
Merger deficit	(8,397)	(8,397)
Currency translation reserve	(98)	(35)
	<u>32,651</u>	<u>30,018</u>
Non-current liabilities		
Deferred taxation	448	524
Hire purchase payables	96	84
Term loans	4,294	4,849
	<u>4,838</u>	<u>5,457</u>
Current Liabilities		
Trade payables	3,714	3,157
Bill payable	2,657	1,247
Other payables and accruals	1,134	716
Amount owing to directors	9	2
Hire purchase payables	79	133
Term loans	555	527
Provision for taxation	194	-
	<u>8,342</u>	<u>5,782</u>
TOTAL LIABILITIES	<u>13,180</u>	<u>11,239</u>
TOTAL EQUITY AND LIABILITIES	<u>45,831</u>	<u>41,257</u>
Net assets per share (RM) attributable to owners of the Company	<u>0.22</u>	<u>0.20</u>

Note:-

The above condensed consolidated statement 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 divided by the number of ordinary shares in issue at the end of the reporting period of 149,320,500 (2012 - 149,330,500).

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SUNZEN BIOTECH BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 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	
Quarter ended 31 December 2013 (Unaudited)										
Balance at 1 January 2013	14,939	3,520	(12)	-	3,177	(8,397)	(35)	16,826	30,018	
Profit after taxation for the financial year	-	-	-	-	-	-	-	3,594	3,594	
Other comprehensive income for the financial period, net of tax:										
- Foreign currency translation	-	-	-	-	-	-	(63)	-	(63)	
Total comprehensive income for the financial year	-	-	-	-	-	-	(63)	3,594	3,531	
Realisation of revaluation reserve	-	-	-	-	(1)	-	-	1	-	
Interim dividend of RM0.008 per ordinary shares of RM0.10 each less income tax of 25% in respect of the current financial year	-	-	-	-	-	-	-	(896)	(896)	
Purchase of own shares	-	-	(2)	-	-	-	-	-	(2)	
Balance at 31 December 2013	14,939	3,520	(14)	-	3,176	(8,397)	(98)	19,525	32,651	
Quarter ended 31 December 2012 (Audited)										
Balance at 1 January 2012	14,939	3,520	-	*	3,178	(8,397)	(29)	16,304	29,515	
Profit after taxation for the financial year	-	-	-	-	-	-	-	1,417	1,417	
Other comprehensive income for the financial year, net of tax:										
- Foreign currency translation	-	-	-	-	-	-	(6)	-	(6)	
- Fair value changes of available-for-sale financial asset	-	-	-	**	-	-	-	-	**	
Total comprehensive income for the financial year	-	-	-	**	-	-	(6)	1,417	1,411	
Realisation of revaluation reserve	-	-	-	-	(1)	-	-	1	-	
Interim tax-exempt dividend of RM0.006 per ordinary share of RM0.10 each in respect of the current financial year	-	-	-	-	-	-	-	(896)	(896)	
Purchase of own shares	-	-	(12)	-	-	-	-	-	(12)	
Balance at 31 December 2012	14,939	3,520	(12)	-	3,177	(8,397)	(35)	16,826	30,018	

Note:-

* RM650

** (RM650)

The above condensed consolidated statement 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 STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013**

	Current Year To Date Ended 31.12.2013 (Unaudited) RM'000	Corresponding Year To Date Ended 31.12.2012 (Audited) RM'000
Cash flows from/(for) operating activities		
Profit before taxation	4,175	1,847
Adjustments for:-		
Amortisation of product development expenditure	248	249
Depreciation of property, plant and equipment	537	625
Interest expense	342	405
Plant and equipment written off	-	3
Inventories written off	118	166
Product development expenditure written off	-	190
Gain on disposal of plant and equipment	(158)	(1)
Gain on disposal of quoted shares	-	(2)
Interest income	(90)	(96)
Unrealised gain on foreign exchange	(60)	(55)
Operating profit before working capital changes	<u>5,112</u>	<u>3,331</u>
(Increase)/Decrease in inventories	(2,847)	147
Increase in trade and other receivables	(1,925)	(461)
Increase/(Decrease) in trade and other payables	<u>2,424</u>	<u>(2,811)</u>
Cash from operations	<u>2,764</u>	<u>206</u>
Net tax paid	(522)	(429)
Interest paid	(343)	(407)
Net cash from/(for) operating activities	<u>1,899</u>	<u>(630)</u>
Cash flows from/(for) investing activities		
Interest received	90	96
Purchase of property, plant and equipment	(190)	(733)
Proceeds from disposal of plant and equipment	159	1
Proceeds from disposal of quoted shares	-	7
Net cash from/(for) investing activities	<u>59</u>	<u>(629)</u>
Cash flows from/(for) financing activities		
Repayment of term loans	(525)	(498)
Advances from/(Repayment to) directors	7	(1)
Repayment of hire purchase obligations	(136)	(135)
Treasury shares	(2)	(12)
Dividend paid	(896)	(896)
Net cash for financing activities	<u>(1,552)</u>	<u>(1,542)</u>
Net increase/(decrease) in cash and cash equivalents	406	(2,801)
Cash and cash equivalents at beginning of the financial year	7,570	10,375
Foreign exchange difference	(15)	(4)
Cash and cash equivalents at end of the financial year	<u>7,961</u>	<u>7,570</u>
Cash and cash equivalents comprise:		
Fixed and short term deposits with licensed banks	3,252	2,286
Cash and bank balances with licensed banks and other financial institution	<u>4,709</u>	<u>5,284</u>
	<u>7,961</u>	<u>7,570</u>

Note:-

The above condensed consolidated statement 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.