

(Company No : 680889-W)

SUNZEN BIOTECH BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

	Current Quarter Ended 30.09.2014 (Unaudited) RM'000	Corresponding Quarter Ended 30.09.2013 (Unaudited) RM'000	Current Year-To-Date Ended 30.09.2014 (Unaudited) RM'000	Corresponding Year-To-Date Ended 30.09.2013 (Unaudited) RM'000
Revenue	8,461	8,980	26,782	25,707
Operating profit	2,577	3,174	8,824	8,878
Operating expenses	(2,417)	(1,860)	(7,806)	(5,826)
Finance expenses	(75)	(87)	(235)	(258)
Profit before taxation	85	1,227	783	2,794
Tax expense	(77)	(185)	(231)	(439)
Profit after taxation	8	1,042	552	2,355
Other comprehensive income, net of tax <i>Items that may be reclassified subsequently to profit or loss</i>				
Surplus on revaluation of property	12,523	-	12,523	-
Foreign currency translation	20	7	42	16
	12,543	7	12,565	16
Total comprehensive income	12,551	1,049	13,117	2,371
Profit after taxation attributable to Owners of the Company:	8	1,042	552	2,355
Total comprehensive income attributable to Owners of the Company:	12,551	1,049	13,117	2,371
Earnings per share (sen) attributable to Owners of the Company:				
- Basic	0.01	0.70	0.37	1.58

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 2013 and the accompanying explanatory notes attached to the interim financial statements.

(Company No : 680889-W)

SUNZEN BIOTECH BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014

	As At Financial Year Quarter 30.09.2014 (Unaudited) RM'000	As At Financial Year End 31.12.2013 (Audited) RM'000
ASSETS		
Non - current assets		
Property, plant and equipment	29,326	16,054
Product development expenditure	18	73
	<u>29,344</u>	<u>16,127</u>
Current assets		
Inventories	11,650	11,973
Trade receivables	5,799	9,238
Other receivables, deposits and prepayments	911	290
Tax refundable	482	157
Fixed and short term deposits with licensed banks	2,277	3,252
Cash and bank balances with licensed banks and other financial institution	6,856	4,709
	<u>27,975</u>	<u>29,619</u>
TOTAL ASSETS	<u>57,319</u>	<u>45,746</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	14,940	14,939
Share premium	3,398	3,520
Treasury shares	(28)	(14)
Retained profits	18,798	19,440
Revaluation reserves	15,699	3,176
Merger deficit	(8,397)	(8,397)
Currency translation reserve	(56)	(98)
	<u>44,354</u>	<u>32,566</u>
Non-current liabilities		
Deferred taxation	1,500	448
Hire purchase payables	118	96
Term loans	3,871	4,294
	<u>5,489</u>	<u>4,838</u>
Current Liabilities		
Trade payables	5,221	3,714
Bill payable	343	2,657
Other payables and accruals	1,271	1,134
Amount owing to directors	-	9
Hire purchase payables	74	79
Term loans	567	555
Provision for taxation	-	194
	<u>7,476</u>	<u>8,342</u>
TOTAL LIABILITIES	<u>12,965</u>	<u>13,180</u>
TOTAL EQUITY AND LIABILITIES	<u>57,319</u>	<u>45,746</u>
Net assets per share (RM) attributable to owners of the Company	<u>0.30</u>	<u>0.22</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 2013 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 149,280,500 (2013 - 149,320,500).

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SUNZEN BIOTECH BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

	Non-distributable					Distributable		Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Revaluation Reserves RM'000	Merger Deficit RM'000	Currency Translation Reserve RM'000	Retained Profits RM'000	
Quarter ended 30 September 2014								
(Unaudited)								
Balance at 1 January 2014	14,939	3,520	(14)	3,176	(8,397)	(98)	19,440	32,566
Profit after taxation for the financial period	-	-	-	-	-	-	552	552
Other comprehensive income for the financial period, net of tax:								
- Surplus on revaluation of property	-	-	-	12,523	-	-	-	12,523
- Foreign currency translation	-	-	-	-	-	42	-	42
Total comprehensive income for the financial period	-	-	-	12,523	-	42	552	13,117
Interim dividend of RM0.008 per ordinary shares of RM0.10 each in respect of the financial year ending 31 December 2014	-	-	-	-	-	-	(1,194)	(1,194)
Issuance of warrants 2014/2019	-	(122)	-	-	-	-	-	(122)
Conversion of warrants into shares	1	-	-	-	-	-	-	1
Purchase of own shares	-	-	(14)	-	-	-	-	(14)
Balance at 30 September 2014	14,940	3,398	(28)	15,699	(8,397)	(56)	18,798	44,354
Quarter ended 30 September 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 period	-	-	-	-	-	-	2,355	2,355
Other comprehensive income for the financial period, net of tax:								
- Foreign currency translation	-	-	-	-	-	16	-	16
Total comprehensive income for the financial period	-	-	-	-	-	16	2,355	2,371
Interim dividend of RM0.008 per ordinary share of RM0.10 each less income tax of 25% in respect of the financial year ending 31 December 2013	-	-	-	-	-	-	(896)	(896)
Purchase of own shares	-	-	(2)	-	-	-	-	(2)
Balance at 30 September 2013	14,939	3,520	(14)	3,177	(8,397)	(19)	18,285	31,491

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 2013 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 PERIOD ENDED 30 SEPTEMBER 2014

	Current Year To Date Ended 30.09.2014 (Unaudited) RM'000	Corresponding Year To Date Ended 30.09.2013 (Unaudited) RM'000
Cash flows from/(for) operating activities		
Profit before taxation	783	2,794
Adjustments for:-		
Amortisation of product development expenditure	55	186
Depreciation of property, plant and equipment	439	363
Interest expense	222	245
Provision for and write off of inventories	942	62
Interest income	(61)	(67)
Provision for and write off of receivables	416	18
Unrealised loss/(gain) on foreign exchange	38	(62)
Operating profit before working capital changes	<u>2,834</u>	<u>3,539</u>
Increase in inventories	(619)	(3,590)
Decrease in trade and other receivables	2,405	564
(Decrease)/Increase in trade and other payables	<u>(674)</u>	<u>1,694</u>
Cash from operations	<u>3,946</u>	<u>2,207</u>
Net tax paid	(723)	(420)
Interest paid	<u>(223)</u>	<u>(247)</u>
Net cash from operating activities	<u>3,000</u>	<u>1,540</u>
Cash flows (for)/from investing activities		
Interest received	61	67
Purchase of property, plant and equipment	<u>(62)</u>	<u>(29)</u>
Net cash (for)/from investing activities	<u>(1)</u>	<u>38</u>
Cash flows (for)/from financing activities		
Repayment of term loans	(410)	(391)
(Repayment to)/Advances from directors	(9)	3
Repayment of hire purchase obligations	(83)	(105)
Treasury shares	(14)	(2)
Dividend paid	(1,194)	-
Issuance of warrants	(122)	-
Conversion of warrants into shares	1	-
Net cash for financing activities	<u>(1,831)</u>	<u>(495)</u>
Net increase in cash and cash equivalents	1,168	1,083
Cash and cash equivalents at beginning of the financial period	7,961	7,570
Foreign exchange difference	4	45
Cash and cash equivalents at end of the financial period	<u>9,133</u>	<u>8,698</u>
Cash and cash equivalents comprise:		
Fixed and short term deposits with licensed banks	2,277	3,230
Cash and bank balances with licensed banks and other financial institution	<u>6,856</u>	<u>5,468</u>
	<u>9,133</u>	<u>8,698</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 2013 and the accompanying explanatory notes attached to the interim financial statements.