SUNZEN BIOTECH BERHAD

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Current Quarter Ended 31.12.2016 (Unaudited) RM'000	Corresponding Quarter Ended 31.12.2015 (Unaudited) RM'000	Current Year-To-Date Ended 31.12.2016 (Unaudited) RM'000	Corresponding Year-To-Date Ended 31.12.2015 (Audited) RM'000
Revenue	14,043	8,922	40,013	32,222
Operating profit	3,163	1,951	9,229	8,316
Operating expenses	(1,322)	(2,360)	(9,470)	(8,358)
Finance expenses	(53)	(58)	(213)	(245)
Profit/(Luss) before tax	1,788	(467)	(454)	(287)
Income tax credit/(expense)	406	17	394	(86)
Profit/(Loss) after tax	2,194	(450)	(60)	(373)
Other comprehensive income/(expense), net of tax Items that may be reclassified subsequently to profit or loss Foreign currency translation	32 32	(55)	56 56	(30) (30)
Total comprehensive income/(expense)	2,226	(505)	(4)	(403)
Profit/(Loss) after tax attributable to owners of: - the Company: - non-controlling interest:	2,203 (9) 2,194	(452) 2 (450)	(129) 69 (60)	(374) 1 (373)
Total comprehensive income/(expense) attributable to owners of: - the Company: - non-controlling interest:	2,235 (9) 2,226	(507) 2 (505)	(73) 69 (4)	(404) 1 (403)
Earnings/(Loss) per share (sen) attributable to owners of the Company: - Basic - Diluted	0.49 0.48	(0.16) (0.15)	(0.03) (0.03)	(0.13) (0.13)

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 2015 and the accompanying explanatory notes attached to the interim financial statements.

SUNZEN BIOTECH BERHAD

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

ASSETS Non-current lasers Society Soci		As At Financial Year End 31.12.2016 (Unaudited) RM'000	As At Financial Year End 31.12.2015 (Audited) RM'000
Non-current assets Property, plant and equipment Product development expenditure 35,243 33,117 Product development expenditure 35,243 33,117 33,117	ASSETS		
Product development expenditure 35,243 33,117			
Current assets	Property, plant and equipment	35,243	33,117
Current assets	Product development expenditure		
Inventories 9,876 11,470 11,171 1,17		35,243	33,117
Inventories 9,876 11,470 11,171 1,17	Community		
1,111 1,11		9.876	11.470
Trace receivables 5.793 7.450 Other receivables 2.695 3.564 Tow refundable 1.404 1.193 Fixed and short term deposits with licensed banks 37,381 1.466 Cash and bank balances with licensed banks and other financial institution 13,172 Other financial institution 13,172 TOTAL ASSETS 106,585 64,889 EQUITY AND LIABILITIES			1
Other receivables, deposits and prepayments 2,605 3,564 Tax refinable 1,404 1,193 Fixed and short term deposits with licensed banks 37,381 1,486 Cash and bank balances with licensed banks and other financial institution 13,172 6,609 TTI,342 31,772 6,609 TOTAL ASSETS 106,585 64,889 EQUITY AND LIABILITIES Equity 47,913 29,814 Share capital 47,913 29,814 Share premium 25,963 12,923 Teasury shares (342) (201) Relating profits 18,611 16,482 Revaluation reserves 13,393 15,651 Merger deficit (8,397) (8,397) Currency translation reserve (4) (60) Attributable to owners of the Company 97,237 53,230 Non-current liabilities 9 1,97 3,320 Non-current liabilities 1,00 3,33 3,50 Term loans 1,00 3,31 4,50 <td></td> <td></td> <td>7,450</td>			7,450
Fixed and short term deposits with licensed banks Cosh and bank balances with licensed banks and other financial institution 13,172			3,564
Cash and bank balances with licensed banks and other financial institution 13,172 (6,699 71,342) 31,772 31,772 TOTAL ASSETS 106,585 (6,889 64,889) EQUITY AND LIABILITIES Equity Share capital 47,913 (29,814 56) 29,814 56) Share premium 25,963 (201) (242) (201) Retained profits 18,611 (6,482 64) 16,482 64) Revaluation reserves 13,393 (15,61 64) (3,97) (3,97) (3,97) Currency translation reserve (4) (600) 31 Attributable to owners of the Company 97,237 (53,289 70,37) (53,289	Tax refundable	1,404	
other financial institution 13,172 (31,772) 6,699 (71,342) 31,772 TOTAL ASSETS 106,585 64,889 EQUITY AND LIABILITIES Equity 47,913 (29,814) 29,814 Share capital 47,913 (242) (201) 25,963 (242) (201) - Retained profits 18,611 (64,82) 16,482 Revaluation reserves 13,393 (8,397) (8,397) (8,397) (8,397) (8,397) (8,397) (8,397) (8,397) (8,397) (8,397) (8,397) (8,397) (8,397) (6,00) (31,40) (32,42,50) (32,42,50) (32,42,50) (32,42,50) (32,42,50) (32,42,50) (32,42,50) (32,42,50) (32,42,50) (32,42,5		37,381	1,486
T1,342 31,772 TOTAL ASSETS 106,585 64,889			
TOTAL ASSETS 106.585 64.889 EQUITY AND LIABILITIES Equity Share capital 47.913 29,814 Share premium 25,963 — (201) Retained profits 18,611 16,482 (201) (201) Retained profits 18,611 16,482 (3,397) (3,297) (3,297) (3,297) (3,297) (3,297) </td <td>other financial institution</td> <td></td> <td></td>	other financial institution		
EQUITY AND LIABILITIES Equity 3 29,814 29,814 29,814 3 29,814 3 29,814 3 29,814 3 29,814 3 29,814 3 29,814 3 29,814 3 29,814 3 20,814 3 20,111 3 20,111 3 20,111 3 1,651 4,611 1,623 4,611 1,623 4,617 3,372 53,289 3,320		/1,342	31,772
EQUITY AND LIABILITIES Equity 3 29,814 29,814 29,814 3 29,814 3 29,814 3 29,814 3 29,814 3 29,814 3 29,814 3 29,814 3 29,814 3 20,814 3 20,111 3 20,111 3 20,111 3 1,651 4,611 1,623 4,611 1,623 4,617 3,372 53,289 3,320	TOTAL ASSETS	106,585	64,889
Share capital 47,913 29,814 Share premium 25,963 1			
Share premium 25,963 - Treasury shares (242) (201) Retained profits 18,611 16,482 Revaluation reserves 13,393 15,651 Merger deficit (8,397) (8,397) Currency translation reserve (40) (600) Attributable to owners of the Company 97,237 53,289 Non-controlling interest 100 31 Non-current liabilities 209 99 Petered taxation 946 1,501 Hire purchase payables 209 99 Term loans 1,270 3,118 Current Liabilities 2,783 - Trade payables 1,623 4,610 Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES<	Equity	15.019	00.014
Treasury shares (242) (201) Retained profits 18,611 16,482 Revaluation reserves 13,393 15,651 Merger deficit (8,397) (8,397) Currency translation reserve (4) (60) Attributable to owners of the Company 97,237 53,289 Non-controlling interest 100 31 Population 946 1,501 Hire purchase payables 209 99 Term loans 1,270 3,118 Current Liabilities 2,783 - Current Labilities 2,783 - Tade payables 1,623 4,610 Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 6,823 6,851 TOTAL LIABILITIES 9,248 11,569 Net assets per s			29,814
Retained profits 18,611 16,482 Revaluation reserves 13,393 15,651 Merger deficit (8,397) (8,397) Currency translation reserve (4) (60) Attributable to owners of the Company 97,237 53,289 Non-controlling interest 100 31 Non-current liabilities 200 9 Deferred taxation 946 1,501 Hire purchase payables 209 99 Term loans 1,270 3,118 Current Liabilities 1,623 4,610 Trade payables 1,623 4,610 Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 1,562 6,823 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 64,889		•	(201)
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Merger deficit (8,397) (8,397) Currency translation reserve (4) (60) Attributable to owners of the Company 97,237 53,289 Non-controlling interest 100 31 Proposition of the Company 97,337 53,280 Non-current liabilities 97,337 53,320 Non-current liabilities 946 1,501 Hire purchase payables 209 99 Term loans 1,270 3,118 Other payables 1,623 4,610 Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889		,	
Currency translation reserve (4) (60) Attributable to owners of the Company 97,237 53,289 Non-controlling interest 100 31 97,337 53,320 Non-current liabilities Deferred taxation 946 1,501 Hire purchase payables 209 99 Term loans 1,270 3,118 Current Liabilities Trade payables 1,623 4,610 Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Hire purchase payables 351 607 Amount owing to Directors 3 607 Amount owing to Directors - 3 Provision for taxation 6,823 6,851 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889			
Attributable to owners of the Company Non-controlling interest 97,237 100 31 53,289 100 31 Non-controlling interest 97,337 53,320 Non-current liabilities 946 1,501 1,501 Hire purchase payables 209 99 99 Term loans 1,270 3,118 3,118 Current Liabilities 1,623 4,718 4,610 Bill payables 1,623 2,783 - 1,564 1,986 1,564 Hire purchase payables and accruals 1,986 1,564 1,564 Hire purchase payables 65 64 64 Term loans 351 607 607 Amount owing to Directors 3 51 607 Amount owing to Directors 15 3 3 Provision for taxation 15 3 6,823 6,851 TOTAL LIABILITIES 9,248 11,569 11,569 Net assets per share (RM) attributable to 64,889 106,585 64,889		• • • •	
Non-current Habilities Deferred taxation 946 1,501 Hire purchase payables 209 99 Term loans 1,270 3,118 Current Liabilities Trade payables 1,623 4,610 Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to			53,289
Non-current liabilities 946 1,501 Hire purchase payables 209 99 Term loans 1,270 3,118 Current Liabilities 2,425 4,718 Current Liabilities 1,623 4,610 Bill payables 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to	Non-controlling interest		
Deferred taxation 946 1,501 Hire purchase payables 209 99 Term loans 1,270 3,118 Current Liabilities 2,425 4,718 Current Liabilities 1,623 4,610 Bill payables 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to		97,337	53,320
Deferred taxation 946 1,501 Hire purchase payables 209 99 Term loans 1,270 3,118 Current Liabilities 2,425 4,718 Current Liabilities 1,623 4,610 Bill payables 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to	Non-command Balatitation		
Hire purchase payables 209 99 Term loans 1,270 3,118 2,425 4,718 Current Liabilities Trade payables 1,623 4,610 Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to		946	1.501
Term loans 1,270 3,118 2,425 4,718 Current Liabilities 3,623 4,610 Trade payables 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to 4,610 3,118 4,610 3 4,610 3 6,851 5 6,851 6,851 5 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,852 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851 6,851		1	
Current Liabilities Trade payables 1,623 4,610 Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to			
Trade payables 1,623 4,610 Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to		2,425	4,718
Trade payables 1,623 4,610 Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to			
Bill payable 2,783 - Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to		1 (22	4.610
Other payables and accruals 1,986 1,564 Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to 64,889			· I
Hire purchase payables 65 64 Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to			l I
Term loans 351 607 Amount owing to Directors - 3 Provision for taxation 15 3 6,823 6,851 TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to			
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TOTAL LIABILITIES 9,248 11,569 TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to			
TOTAL EQUITY AND LIABILITIES 106,585 64,889 Net assets per share (RM) attributable to		6,823	6,851
Net assets per share (RM) attributable to	TOTAL LIABILITIES	9,248	11,569
Net assets per share (RM) attributable to	TOTAL EQUITY AND LIABILITIES	106,585	64,889
Uniters of the Company U.20 U.16		n on	0.10
	owners of the Company	0.20	0.18

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 2015 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 478,426,141 (2015: 297,638,595) excluding treasury shares held.

(Company No : 680889-W)

SUNZEN BIOTECH BERHAD

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	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	Attributable to owners of the Company RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
Quarter ended 31 December 2016 (Unaudited)										
Balance at 1 January 2016	29,814	-	(201)	15,651	(8,397)	(60)	16,482	53,289	31	53,320
Profit/(Loss) after tax for the financial year Other comprehensive income/(expense) for the financial year, net of tax:	-	-		-	-	-	(129)	(129)	69	(60)
- Foreign currency translation	-		-		-	56		56		56
Total comprehensive income/(expense) for the financial year	-	-	-	-	-	56	(129)	(73)	69	(4)
Issuance of shares	18,099	25,963	-	-	-	-	-	44,062	-	44,062
Purchase of own shares	-	-	(41)	-	-	-		(41)	•	(41)
Disposal of property, plant and equipment	-	-	-	(2,240)	-	-	2,240	-	-	-
Amortisation on revaluation reserve	-	-	-	(18)	-	-	18	-	-	-
Balance at 31 December 2016	47,913	25,963	(242)	13,393	(8,397)	(4)	18,611	97,237	100	97,337
Quarter ended 31 December 2015 (Audited)										
Balance at 1 January 2015	16,577	7,155	(39)	15,651	(8,397)	(30)	19,393	50,310	-	50,310
Profit/(Loss) after tax for the financial year Other comprehensive income/(expense) for the financial year, net of tax:	-	-	-	-	-	-	(374)	(374)	1	(373)
- Foreign currency translation	_		_	_	_	(30)	_	(30)	_	(30)
Total comprehensive income/(expense) for the financial year	-	-				(30)	(374)	(404)	- I	(403)
Issuance of shares	13,237	(7,155)	_	-	-	•	(2,537)	3,545	30	3,575
Purchase of own shares	-	-	(162)	-	-	-	-	(162)	-	(162)
Balance at 31 December 2015	29,814		(201)	15,651	(8,397)	(60)	16,482	53,289	31	53,320
									_	

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 2015 and the accompanying explanatory notes attached to the interim financial statements.

SUNZEN BIOTECH BERHAD

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Current Year To Date Ended 31.12.2016 (Unaudited) RM'000	Corresponding Year To Date Ended 31.12.2015 (Audited) RM'000
Cash flows from/(for) operating activities Loss before tax	(454)	(287)
Adjustments for:-		
Depreciation of property, plant and equipment	959	1,051
Interest expense	199	233
Write down/(Write back) of inventories	313	(544)
Inventories written off	174 383	525
Loss/(Gain) on disposal of property, plant and equipment Interest income	383 (900)	(94) (187)
Allowance for doubtful debts	5	(107)
Recovery of bad debts	-	(4)
Unrealised gain on short term placement	(182)	-
Unrealised gain on foreign exchange	(60)	(105)
Operating profit before working capital changes	437	588
Increase in inventories	(5)	(3,035)
Decrease/(Increase) in trade and other receivables	2,645	(3,490)
Increase in trade and other payables		1,361
Cash from/(for) operations	3,301	(4,576)
Net tax paid	(360)	(658)
Interest paid Net cash from/(for) operating activities	(201) 2,740	(236)
Cash flows (for)/from investing activities		
Interest received	900	187
Proceeds from disposal of property, plant and equipment	3,360	201
Purchase of property, plant and equipment	(6,636)	(4,822)
Net cash for investing activities	(2,376)	(4,434)
Cash flows from/(for) financing activities		
Repayment of term loans	(2,100)	(572)
(Repayment to)/Advances from Directors	(4)	4
Repayment of hire purchase obligations Purchase of own shares	(80) (41)	(158) (162)
Proceeds from issuance of shares	44,062	3,545
Proceeds from issuance of shares to non-controlling interest	-	30_
Net cash from financing activities	41,837	2,687
Net increase/(decrease) in cash and cash equivalents	42,201	(7,217)
Cash and cash equivalents at beginning of the financial year	8,095	15,239
Fund's net asset value difference	182	-
Foreign exchange difference	75_	73
Cash and cash equivalents at end of the financial year	50,553	8,095
Cash and cash equivalents comprise:		
Fixed and short term deposits with licensed banks	37,381	1,486
Cash and bank balances with licensed banks and other financial institution	13,172	6,609
	50,553	8,095

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 2015 and the accompanying explanatory notes attached to the interim financial statements.