

(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 2017**

	Current Quarter Ended 30.09.2017 (Unaudited) RM'000	Corresponding Quarter Ended 30.09.2016 (Unaudited) RM'000	Current Year-To-Date Ended 30.09.2017 (Unaudited) RM'000	Corresponding Year-To-Date Ended 30.09.2016 (Unaudited) RM'000
Revenue	78,739	7,903	200,360	25,970
Operating profit	3,381	1,624	10,255	6,066
Operating expenses	(1,953)	(2,310)	(6,283)	(8,148)
Finance expenses	(25)	(41)	(85)	(160)
Profit/(Loss) before tax	1,403	(727)	3,887	(2,242)
Income tax expense	(450)	(4)	(356)	(12)
Profit/(Loss) after tax	953	(731)	3,531	(2,254)
Other comprehensive income, net of tax <i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation	(36)	9	(56)	24
	(36)	9	(56)	24
Total comprehensive income/(expense)	917	(722)	3,475	(2,230)
Profit/(Loss) after tax attributable to owners of:				
- the Company:	874	(744)	3,365	(2,332)
- non-controlling interest:	79	13	166	78
	953	(731)	3,531	(2,254)
Total comprehensive income/(expense) attributable to owners of:				
- the Company:	838	(735)	3,309	(2,308)
- non-controlling interest:	79	13	166	78
	917	(722)	3,475	(2,230)
Earnings/(Loss) per share (sen) attributable to owners of the Company:				
- Basic	0.18	(0.18)	0.70	(0.58)
- Diluted	0.16	(0.18)	0.63	(0.56)

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 2016 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 2017

	As At Financial Year Quarter 30.09.2017 (Unaudited) RM'000	As At Financial Year End 31.12.2016 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	37,150	35,243
Product development expenditure	-	-
	<u>37,150</u>	<u>35,243</u>
Current assets		
Inventories	10,022	10,986
Trade receivables	17,913	5,987
Other receivables, deposits and prepayments	2,663	2,043
Tax refundable	1,526	1,403
Fixed and short term deposits with licensed banks	31,402	37,563
Cash and bank balances with licensed banks and other financial institution	30,959	12,990
	<u>94,485</u>	<u>70,972</u>
TOTAL ASSETS	<u>131,635</u>	<u>106,215</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	48,220	47,912
Share premium	25,963	25,963
Treasury shares	(242)	(242)
Retained profits	21,975	18,610
Revaluation reserves	13,393	13,393
Merger deficit	(8,397)	(8,397)
Currency translation reserve	(60)	(4)
Attributable to owners of the Company	<u>100,852</u>	<u>97,235</u>
Non-controlling interest	266	100
	<u>101,118</u>	<u>97,335</u>
Non-current liabilities		
Deferred taxation	898	945
Hire purchase payables	165	209
Term loans	995	1,270
	<u>2,058</u>	<u>2,424</u>
Current Liabilities		
Trade payables	25,425	1,859
Bill payable	-	2,783
Other payables and accruals	2,266	1,383
Hire purchase payables	58	65
Term loans	365	351
Provision for taxation	345	15
	<u>28,459</u>	<u>6,456</u>
TOTAL LIABILITIES	<u>30,517</u>	<u>8,880</u>
TOTAL EQUITY AND LIABILITIES	<u>131,635</u>	<u>106,215</u>
Net assets per share (RM) attributable to owners of the Company	<u>0.21</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 2016 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 481,510,267 (2016: 478,426,141) excluding treasury shares held.

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SUNZEN BIOTECH BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017

	Current Year To Date Ended 30.09.2017 (Unaudited) RM'000	Corresponding Year To Date Ended 30.09.2016 (Unaudited) RM'000
Cash flows from/(for) operating activities		
Profit/(Loss) before tax	3,887	(2,242)
Adjustments for:-		
Depreciation of property, plant and equipment	717	680
Interest expense	75	150
(Write back)/Write down of inventories	(117)	865
Loss on disposal of property, plant and equipment	-	397
Interest income	(603)	(678)
Unrealised loss on foreign exchange	39	95
Operating profit/(loss) before working capital changes	<u>3,998</u>	<u>(733)</u>
Decrease in inventories	1,081	1,201
(Increase)/Decrease in trade and other receivables	(12,588)	2,089
Increase in trade and other payables	<u>24,450</u>	<u>28</u>
Cash from operations	<u>16,941</u>	<u>2,585</u>
Net tax paid	(198)	(159)
Interest paid	(76)	(152)
Net cash from operating activities	<u>16,667</u>	<u>2,274</u>
Cash flows (for)/from investing activities		
Interest received	603	678
Proceeds from disposal of property, plant and equipment	-	3,333
Purchase of property, plant and equipment	(2,624)	(5,698)
Net cash for investing activities	<u>(2,021)</u>	<u>(1,687)</u>
Cash flows (for)/from financing activities		
Repayment of term loans	(260)	(2,016)
(Repayment)/Drawdown of bills payable	(2,783)	1,284
Repayment to Directors	-	(3)
Repayment of hire purchase obligations	(50)	(57)
Purchase of own shares	-	(41)
Proceeds from issuance of shares	308	44,061
Net cash (for)/from financing activities	<u>(2,785)</u>	<u>43,228</u>
Net increase in cash and cash equivalents	11,861	43,815
Cash and cash equivalents at beginning of the financial period	50,553	8,095
Foreign exchange difference	(53)	(72)
Cash and cash equivalents at end of the financial period	<u>62,361</u>	<u>51,838</u>
Cash and cash equivalents comprise:		
Fixed and short term deposits with licensed banks	31,402	37,161
Cash and bank balances with licensed banks and other financial institution	<u>30,959</u>	<u>14,677</u>
	<u>62,361</u>	<u>51,838</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 2016 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 CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2017**

**Quarter ended 30 September 2017
(Unaudited)**

Balance at 1 January 2017

Profit after tax for the financial period
Other comprehensive income for the financial period, net of tax:
- Foreign currency translation
Total comprehensive income for the financial period
Issuance of shares

Balance at 30 September 2017

	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
Balance at 1 January 2017	47,912	25,963	(242)	13,393	(8,397)	(4)	18,610	97,235	100	97,335
Profit after tax for the financial period	-	-	-	-	-	-	3,365	3,365	166	3,531
Other comprehensive income for the financial period, net of tax:	-	-	-	-	-	(56)	-	(56)	-	(56)
- Foreign currency translation	-	-	-	-	-	(56)	3,365	3,309	166	3,475
Total comprehensive income for the financial period	308	-	-	-	-	-	-	308	-	308
Issuance of shares	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2017	48,220	25,963	(242)	13,393	(8,397)	(60)	21,975	100,852	266	101,118

**Quarter ended 30 September 2016
(Unaudited)**

Balance at 1 January 2016

Profit/(Loss) after tax for the financial period
Other comprehensive income/(expense) for the financial period, net of tax:
- Foreign currency translation
Total comprehensive income/(expense) for the financial period
Issuance of shares
Purchase of own shares
Disposal of property, plant and equipment

Balance at 30 September 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
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 period	-	-	-	-	-	-	(2,332)	(2,332)	78	(2,254)
Other comprehensive income/(expense) for the financial period, net of tax:	-	-	-	-	-	24	-	24	-	24
- Foreign currency translation	-	-	-	-	-	24	(2,332)	(2,308)	78	(2,230)
Total comprehensive income/(expense) for the financial period	18,098	25,963	-	-	-	-	-	44,061	-	44,061
Issuance of shares	-	-	(41)	-	-	-	-	(41)	-	(41)
Purchase of own shares	-	-	-	(2,240)	-	-	2,240	-	-	-
Disposal of property, plant and equipment	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2016	47,912	25,963	(242)	13,411	(8,397)	(36)	16,390	95,001	109	95,110

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 2016 and the accompanying explanatory notes attached to the interim financial statements.