



## **SciGen Limited**

### **Amendment to Appendix 4E lodged on 28 February 2017**

#### Page 1 :

Header should read as “Revenue and Net Profit” instead of “Revenue and Net Loss”.

“Revenue from ordinary activities” should read as “Up 23.8%” instead of “Down 23.8%”.

“Profit from ordinary activities after related income tax” should read as “Up 62.1%” instead “Down 62.1%”.



# **SciGen Limited**

## **ASX (Appendix 4E) Preliminary Final Report**

**For the Twelve Months Ended  
31 December 2016**

(ABRN 101 318 852)

*This Preliminary Final Report is provided to the Australian Stock Exchange (ASX) under ASX Listing Rule 4.3A.*

Current Reporting Period:

Twelve months ended 31 December 2016

Previous Corresponding Period:

Twelve months ended 31 December 2015

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

### Results For Announcement To The Market For The Year Ended 31 December 2016

#### Revenue and Net Profit

The table below allows a comparison of the business performance for the 12 months ended 31 December 2016 with the 12 months ended 31 December 2015.

	<u>Current financial year</u> 12 Months ended 31 December 2016 US\$ '000	<u>Previous financial year</u> 12 Months ended 31 December 2015 US\$ '000
Revenue from ordinary activities	29,138	23,527
Profit from ordinary activities after related income tax	2,056	1,268
Profit for the year attributable to members	2,056	1,268

  

	<u>Percentage Change</u>		<u>Amount US\$ '000</u>
Revenue from ordinary activities	Up 23.8%	To	29,138
Profit from ordinary activities after related income tax	Up 62.1%	To	2,056
Profit for the year attributable to members	Up 62.1%	To	2,056

#### Revenue

Revenue of SciGen group ("Group") grew by 23.8% to reach US\$29,138,000 for the year ended 31 December 2016. Growth was primarily driven by our subsidiary in Korea, followed by profit sharing income derived from sales of insulin to China. Revenue in our Korean subsidiary registered a significant expansion of 62% year-on-year, with successful listing of human growth hormones and Thymosin alpha 1 products at additional hospitals during the year. Growth in our subsidiary in Australia was minimal at 3%, however, new products were successfully introduced into the Group's portfolio, in an effort to replace products which distribution contracts expired in 2015. In Philippines and Thailand, sales to our distributors declined as competition for hospital tenders remained intense.

New products marketed by the Group this year include a Gonadotropin releasing hormone agonist for treatment of central precocious puberty, electrotherapy device for relief of migraine pain and oral treatment of Parkinson's disease. The new products cumulatively contributed 8% of the Group revenue. For existing products, sterling performance in the promotion of Thymosin alpha 1, human growth hormones and paediatric supplements resulted in revenue growth of 35% for these products and constituted 67% of Group revenue for the year. Profit sharing income from our ultimate holding company, Bioton S.A. ("Bioton") rose by 42%, attributable to higher sales volumes of insulin to China and Vietnam.

# **SCIGEN LIMITED**

## **APPENDIX 4E – PRELIMINARY FINAL REPORT**

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### **Results For Announcement To The Market For The Year Ended 31 December 2016**

#### **Trading Results**

Gross margin improved marginally from 52% to 53% for the current year and coupled with the increase in revenue, resulted in 25% increase in gross profit. Profit before interest and tax was US\$4,065,000 compared to preceding year of US\$3,174,000.

After net finance expense of US\$905,000 (2015 : US\$896,000) and income tax expense of US\$1,104,000 (2015 : US\$1,010,000), the Group posted profit for the year amounting to US\$2,056,000 (2015 : US\$1,268,000). Income tax expense for the year included deferred tax expense of US\$208,000 (2015 : US\$568,000).

During the year, business development activities were intensified in collaboration with Bioton, whilst respective sales teams pressed on in their promotions of existing products. Although a few products will be introduced in 2017, the coming year will remain challenging in view of entry of several competitors in Thymosin alpha 1 market in Korea and pricing pressure in most territories.

#### **Dividend**

No dividends were paid during the year ended 31 December 2016 and directors do not recommend that a payment be made for the year ended 31 December 2016.

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

### Consolidated Statement of Financial Position As At 31 December 2016

ASSETS	Note	31 December 2016 US\$ '000	31 December 2015 US\$ '000
<b>Current Assets</b>			
Cash and cash equivalents		4,581	3,579
Trade and other receivables	3	6,063	15,344
Income tax receivable		-	119
Inventories		2,588	2,257
<b>Total current assets</b>		13,232	21,299
<b>Non-Current Assets</b>			
Property, plant and equipment	4	96	98
Intangible assets	5	3,823	4,064
Deferred tax assets		6,147	6,355
<b>Total non-current assets</b>		10,066	10,517
<b>Total assets</b>		23,298	31,816
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Trade and other payables		3,106	2,347
Income tax payable		632	315
<b>Total current liabilities</b>		3,738	2,662
<b>Non-Current Liabilities</b>			
Loans from ultimate holding company	6	64,580	74,527
Other payables	7	10,749	12,014
<b>Total non-current liabilities</b>		75,329	86,541
<b>Capital, reserves and non-controlling interests</b>			
Share capital		42,530	42,530
Translation reserves		(1,855)	(1,417)
Accumulated losses		(96,444)	(98,500)
<b>Capital deficiency</b>		(55,769)	(57,387)
<b>Total liabilities and equity</b>		23,298	31,816

*The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes, the Report and Financial Statements for the twelve months ended 31 December 2016 and any public announcements made by SciGen Ltd in accordance with the continuous disclosure requirements.*

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

### Consolidated Statement of Profit or Loss and Other Comprehensive Income For The Year Ended 31 December 2016

		12 Months Ended 31 December 2016 US\$ '000	12 Months Ended 31 December 2015 US\$ '000
	Note		
Revenue		29,138	23,527
Other income (net)		74	220
Changes in inventories of finished goods		478	(190)
Purchases		(14,184)	(10,988)
Staff costs		(3,686)	(3,381)
Depreciation of property, plant and equipment		(39)	(48)
Amortisation of intangible assets		(340)	(384)
Write-off of intangible assets		(17)	-
Write-off of inventories		(53)	(8)
Other expenses		(7,306)	(5,574)
Profit before interest and tax		4,065	3,174
Finance income	8	9	10
Finance expense	8	(914)	(906)
<b>Profit before income tax</b>		3,160	2,278
Income tax expense		(1,104)	(1,010)
<b>Profit for the year</b>		2,056	1,268
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations, representing other comprehensive income for the year, net of tax		(438)	(76)
<b>Total comprehensive profit for the year</b>		1,618	1,192
<b>Profit for the year attributable to:</b>			
Equity holders of the Company		2,056	1,268
Non-controlling interest		-	-
<b>Profit for the year</b>		2,056	1,268
<b>Total comprehensive profit attributable to:</b>			
Equity holders of the Company		1,618	1,192
Non-controlling interest		-	-
<b>Total comprehensive profit for the year</b>		1,618	1,192
<b>Earnings per share :</b>			
Basic and diluted earnings per share (cents)	9	0.372	0.230

Note : There is no tax effect on the component indicated in other comprehensive income.

*The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes, the Report and Financial Statements for the twelve months ended 31 December 2016 and any public announcements made by SciGen Ltd in accordance with the continuous disclosure requirements.*

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

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### Consolidated Statement of Changes in Equity For The Year Ended 31 December 2016

	Share capital US\$'000	Translation reserve US\$'000	Accumulated losses US\$'000	Net capital deficiency US\$'000
Balance at 1 January 2015	42,530	(1,341)	(99,768)	(58,579)
Profit for the year	-	-	1,268	1,268
Other comprehensive loss for the year	-	(76)	-	(76)
Balance at 31 December 2015	42,530	(1,417)	(98,500)	(57,387)
Balance at 1 January 2016	42,530	(1,417)	(98,500)	(57,387)
Profit for the year	-	-	2,056	2,056
Other comprehensive loss for the year	-	(438)	-	(438)
Balance at 31 December 2016	42,530	(1,855)	(96,444)	(55,769)

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

### Consolidated Statement of Cash Flows For The Year Ended 31 December 2016

	12 Months to 31 December 2016 <u>US\$ '000</u>	12 Months to 31 December 2015 <u>US\$ '000</u>
<b>Operating Activities</b>		
<b>Profit before income taxes</b>	3,160	2,278
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	39	48
Amortization of intangible assets	340	384
Write-off of intangible assets	17	-
Write-off of inventories	53	8
Allowance for doubtful debts	(17)	15
Finance income	(9)	(10)
Finance expense	866	656
Net foreign exchange losses	48	250
	<u>1,337</u>	<u>1,351</u>
<b>Operating cash flow before working capital changes</b>	4,497	3,629
<b>Decrease/(Increase) in working capital</b>		
Inventories	(384)	260
Trade and other receivables (Note A)	9,297	31
Trade and other payables (Note A)	<u>(11,616)</u>	<u>(2,408)</u>
<b>Cash from operations</b>	1,794	1,512
Income taxes paid	<u>(436)</u>	<u>(561)</u>
<b>Net cash inflow from operating activities</b>	<u>1,358</u>	<u>951</u>
<b>Investing Activities</b>		
Interest received	9	10
Purchase of property, plant & equipment	(38)	(18)
Purchase of intangible assets	<u>(100)</u>	<u>(30)</u>
<b>Net cash outflow from investing activities</b>	<u>(129)</u>	<u>(38)</u>
<b>Financing Activities</b>		
Interest paid	<u>(25)</u>	<u>(1)</u>
<b>Net cash outflow from financing activities</b>	<u>(25)</u>	<u>(1)</u>
 Net increase in cash and cash equivalents	1,204	912
Cash and cash equivalents at beginning of the year	3,579	2,759
Effect of exchange rate fluctuation on cash and cash equivalents	<u>(202)</u>	<u>(92)</u>
<b>Cash and cash equivalents at end of the year</b>	<u>4,581</u>	<u>3,579</u>

**Note A :**

During the year ended 31 December 2016, proceeds from disposal of asset held for sale amounting to US\$11,280,000 was utilised to reduce the loan and loan interest owing to the ultimate holding company.

*The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes, the Report and Financial Statements for the twelve months ended 31 December 2016, and any public announcements made by SciGen Ltd in accordance with the continuous disclosure requirements.*



# **SCIGEN LIMITED**

## **APPENDIX 4E – PRELIMINARY FINAL REPORT**

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### **Notes To The Consolidated Financial Information For The Year Ended 31 December 2016**

1. **GOING CONCERN**
2. **BASIS OF PREPARATION**
3. **TRADE AND OTHER RECEIVABLES**
4. **PROPERTY, PLANT AND EQUIPMENT**
5. **INTANGIBLE ASSETS**
6. **LOANS FROM ULTIMATE HOLDING COMPANY**
7. **OTHER PAYABLES**
8. **ADDITIONAL DISCLOSURE FOR STATEMENT OF COMPREHENSIVE INCOME**
9. **EARNINGS PER SHARE**
10. **NET TANGIBLE LIABILITIES PER SHARE**
11. **SEGMENT INFORMATION**
12. **CONTINGENT LIABILITIES**
13. **INFORMATION ON AUDIT OR REVIEW**

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

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### Notes To The Consolidated Financial Information For The Year Ended 31 December 2016

#### 1. Going Concern

The consolidated financial statements of SciGen Ltd (the “Company”) and its subsidiaries (the “Group”) have been prepared on a going concern basis as the Company has received an undertaking from its ultimate holding company, Bioton S.A. (“Bioton”), to continue to provide the Group with financial and other support as necessary for the next twelve months to enable the Group to continue as a going concern and to support their operating and investing activities.

During the year ended 31 December 2016, the Group generated profit of US\$2,056,000 (2015 : US\$1,268,000) and had positive operating cash flow of US\$1,358,000 (2015 : US\$951,000) . At the year end the Group had net current assets of US\$9,494,000 (2015 : US\$18,637,000) and net capital deficiency of US\$55,769,000 (2015 : US\$57,387,000).

Repayment of loan to Bioton amounted to US\$9,947,000 (2015 : US\$Nil) during the year. As at 31 December 2016, the Company has loans owing to Bioton of US\$64,580,000 (2015 : US\$74,527,000).

#### 2. Basis of Preparation

This preliminary final report has been prepared in accordance with Singapore Financial Reporting Standards.

The significant accounting policies adopted are consistent with those applied in the Group's consolidated financial statements for the year ended 31 December 2015, except that the Group has adopted all the new Financial Reporting Standards (“FRS”) and Interpretation of FRS (“INT FRS”) that are relevant to its operations and effective for annual period beginning 1 January 2016. The adoption of these new/revised FRSs and INT FRS does not result in changes to the Group accounting policies and has no material effects on the amounts reported for the current or prior years' financial statements.

At the date of release of Preliminary Final Report, the following FRSs and amendments to FRSs relevant to the Group were issued but not effective :

- FRS 109 *Financial Instruments* <sup>2</sup>
- FRS 115 *Revenue from Contracts with Customers (with clarifications issued)* <sup>2</sup>
- FRS 116 *Leases* <sup>3</sup>
- Amendments to FRS 7 *Statement of Cash Flows: Disclosure Initiative* <sup>1</sup>
- Amendments to FRS 12 *Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses* <sup>1</sup>
- Amendments to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* <sup>4</sup>

<sup>1</sup> Applies to annual periods beginning on or after January 1, 2017, with early application permitted.

<sup>2</sup> Applies to annual periods beginning on or after January 1, 2018, with early application permitted.

<sup>3</sup> Applies to annual periods beginning on or after January 1, 2019, with earlier application permitted if FRS 115 is adopted.

<sup>4</sup> Application has been deferred indefinitely, however, early application is still permitted.

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in future periods will not have a material impact on the financial statements of the Group and of the company in the period of their initial adoption.

# **SCIGEN LIMITED**

## **APPENDIX 4E – PRELIMINARY FINAL REPORT**

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### **Notes To The Consolidated Financial Information For The Year Ended 31 December 2016**

The preliminary final report is expressed in United States dollars, which is the Company's functional currency and rounded to the nearest thousand, unless stated otherwise.

#### United States Dollars Presentation

Transactions in foreign currencies during the financial year are converted into United States dollars at the rates of exchange prevailing at the transaction dates. Foreign currency monetary assets and liabilities are translated into United States dollars at the rate of exchange prevailing at the reporting date. Exchange differences arising are taken into the consolidated statement of comprehensive income.

For the purpose of the consolidation of foreign subsidiaries, whose operations are an integral part of the Company's operations, the foreign subsidiaries' statement of financial position and profit and loss are translated as follows:-

- Assets, liabilities and contributed equity are translated using closing rates at reporting date;
- Income and expenses are translated using the actual or average rates;
- Retained profits or losses are translated at cumulative average rates; and
- Exchange differences are recognised as a separate component of equity (translation reserve).

### **3. Trade and Other Receivables**

On 30 December 2016, other receivables owing by Bioton in relation to proceeds from sale of assets classified as held for sale and profit sharing income amounting to US\$11,280,000 and US\$772,000 respectively, were offset against loan and interest owing to Bioton (Note 6 and Note 7).

### **4. Property, Plant and Equipment**

During the year, the Group acquired property, plant and equipment of approximately US\$38,000 (2015 : US\$18,000).

The Group disposed certain of its property, plant and equipment without carrying amount for proceed of US\$4 (2015 : carrying amount of nil for proceed of US\$17).

During the year, the Group wrote off property, plant and equipment without carrying value (2015 : carrying value of nil).

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

### Notes To The Consolidated Financial Information For The Year Ended 31 December 2016

#### 5. Intangible Assets

	Licences US\$ '000	Computer software US\$ '000	Development costs US\$ '000	Total US\$ '000
<u>Cost</u>				
At 1 January 2015	5,386	75	1,623	7,084
Additions	-	-	30	30
Write-off	-	(9)	-	(9)
Translation differences	-	-	(21)	(21)
At 31 December 2015	5,386	66	1,632	7,084
Additions	-	-	115	115
Write-off	-	-	(17)	(17)
Translation differences	-	-	(14)	(14)
At 31 December 2016	5,386	66	1,716	7,168
<u>Accumulated amortisation</u>				
At 1 January 2015	1,608	72	782	2,462
Amortisation charge for the year	216	3	165	384
Write-off	-	(9)	-	(9)
Translation differences	-	-	(5)	(5)
At 31 December 2015	1,824	66	942	2,832
Amortisation charge for the year	216	-	124	340
Write-off	-	-	-	-
Translation differences	-	-	(2)	(2)
At 31 December 2016	2,040	66	1,064	3,170
<u>Impairment losses</u>				
At 1 January 2015	-	-	199	199
Translation differences	-	-	(11)	(11)
At 31 December 2015	-	-	188	188
Translation differences	-	-	(13)	(13)
At 31 December 2016	-	-	175	175
<u>Carrying amount</u>				
At 31 December 2016	3,346	-	477	3,823
At 31 December 2015	3,562	-	502	4,064

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

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### Notes To The Consolidated Financial Information For The Year Ended 31 December 2016

#### 6. Loans from Ultimate Holding Company

The loans from ultimate holding company were made on normal commercial terms and conditions and bear interest of LIBOR 3 months + 1% (2015 : LIBOR 3 months + 1%) per annum. The effective interest rate for the loans is 1.71% (2015 : 1.30%) per annum.

During the year, the Company offset loans amounting to US\$9,947,000 against other receivables owing by Bioton (Note 3). As at 31 December 2016, the Company has loans owing to Bioton of US\$64,580,000 (2015 : US\$74,527,000).

The loans from ultimate holding company is due for repayment on 31 December 2020.

#### 7. Other Payables

Other payables consist of interest payable on loan due to ultimate holding company. Interests on the loans shall be paid by reference to the outstanding principal sum being repaid, on the repayment date.

During the year, the Company offset interest payable on loan amounting to US\$2,105,000 against other receivables owing by Bioton (Note 3).

#### 8. Additional disclosure for Statement of Comprehensive Income

The following items have been (charged)/credited in arriving at profit/(loss) for the year :

	12 Months Ended 31 December 2016 <u>US\$ '000</u>	12 Months Ended 31 December 2015 <u>US\$ '000</u>
Interest income received from :		
- Banks	9	10
Finance income	9	10
Interest expenses paid/payable to :		
- Other entities	(25)	(1)
- Ultimate holding company	(841)	(655)
	(866)	(656)
Exchange loss	(48)	(250)
Finance expense	(914)	(906)

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

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### Notes To The Consolidated Financial Information For The Year Ended 31 December 2016

#### 9. Earnings Per Share

Calculation of the basic earnings per share attributable to the ordinary owners of the Company is based on the following data :

	12 Months Ended 31 December 2016 <u>US\$ '000</u>	12 Months Ended 31 December 2015 <u>US\$ '000</u>
(i) Profit/(Loss) for the purposes of basic earnings per share	2,056	1,268
	<b>Number of shares</b>	
	('000)	('000)
(ii) Weighted average number of ordinary shares for the purposes of basic earnings per share	552,270	552,270

#### 10. Net Tangible Liabilities Per Share

	2016 <u>(US¢ per share)</u>	2015 <u>(US¢ per share)</u>
Net tangible liabilities per share	(11.904)	(12.278)

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

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### Notes To The Consolidated Financial Information For The Year Ended 31 December 2016

#### 11. Segment Information

Segment information is presented in respect of the Group's reportable segments. The reportable segment presentation is based on the Group's management and internal reporting structure, used for its strategic decision-making purposes. Intersegment pricing is determined on mutually agreed terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses and head office assets and liabilities (primarily intangible assets and deferred tax assets, loans from ultimate holding company).

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

The Group's reportable segments are as follows:

##### **Singapore**

The home country of the parent entity which is also the main operating entity. The areas of operation are principally corporate office functions and sales and marketing.

##### **Australia**

Includes sales and marketing activities.

##### **Korea**

Includes sales and marketing activities.

##### **Thailand**

Includes sales and marketing activities.

##### **Philippines**

Includes sales and marketing activities.

##### **China**

Includes regulatory activities.

##### **Others**

Comprises operations carried on in Indonesia, Pakistan, Vietnam, Hong Kong, Myanmar and Malaysia. None of these segments meets any of the quantitative thresholds for determining reportable segments in 2016 or 2015.

##### **Major customers**

Revenue from two end-customers based in Thailand, Myanmar and Philippines, represent approximately US\$5,078,000 (2015 : US\$5,928,000 from Thailand, Myanmar and Philippines) of the Group's total revenue.

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

### Notes To The Consolidated Financial Information For The Year Ended 31 December 2016

Information regarding the Group's reportable segments is presented below.

	<u>Singapore</u>	<u>Australia</u>	<u>Korea</u>	<u>Thailand</u>	<u>Philippines</u>	<u>China</u>	<u>Others</u>	<u>Unallocated</u>	<u>Total</u>
<u>For year ended 31 Dec 2016</u>	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Revenue</b>									
Sales to external customers	5,937	4,802	11,166	4,028	1,042	-	2,163	-	29,138
Inter-segment sales	(5,796)	2,448	3,348	-	-	-	-	-	-
Total sales revenue	<u>141</u>	<u>7,250</u>	<u>14,514</u>	<u>4,028</u>	<u>1,042</u>	<u>-</u>	<u>2,163</u>	<u>-</u>	<u>29,138</u>
<b>Results</b>									
Segment results	<u>3</u>	<u>304</u>	<u>4,433</u>	<u>248</u>	<u>(143)</u>	<u>(138)</u>	<u>1,222</u>	<u>(2,769)</u>	<u>3,160</u>
Income tax expense									<u>(1,104)</u>
Profit for the year									<u>2,056</u>
	<u>Singapore</u>	<u>Australia</u>	<u>Korea</u>	<u>Thailand</u>	<u>Philippines</u>	<u>China</u>	<u>Others</u>	<u>Unallocated</u>	<u>Total</u>
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>As at 31 Dec 2016</b>									
<b>Segment Assets</b>									
Total non-current assets	-	60	48	-	3	-	-	3,808	3,919
Deferred tax assets	-	-	-	-	-	-	-	6,147	6,147
Total current assets	<u>22</u>	<u>3,876</u>	<u>6,756</u>	<u>726</u>	<u>381</u>	<u>140</u>	<u>258</u>	<u>1,073</u>	<u>13,232</u>
Total assets	<u>22</u>	<u>3,936</u>	<u>6,804</u>	<u>726</u>	<u>384</u>	<u>140</u>	<u>258</u>	<u>11,028</u>	<u>23,298</u>
<b>Segment liabilities</b>									
Total liabilities	<u>-</u>	<u>(1,884)</u>	<u>(1,123)</u>	<u>-</u>	<u>(63)</u>	<u>(11)</u>	<u>(4)</u>	<u>(75,982)</u>	<u>(79,067)</u>



# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

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### Notes To The Consolidated Financial Information For The Year Ended 31 December 2016

	<u>Singapore</u>	<u>Australia</u>	<u>Korea</u>	<u>Thailand</u>	<u>Philippines</u>	<u>China</u>	<u>Others</u>	<u>Unallocated</u>	<u>Total</u>
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b><u>For year ended 31 Dec 2016</u></b>									
<b>Other segment information</b>									
Capital expenditure on property plant and equipment									
intangible assets	<u>-</u>	<u>7</u>	<u>48</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>96</u>	<u>153</u>
<b>Material non-cash items</b>									
Write-off of inventories	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>18</u>	<u>53</u>
Write-off of intangible assets	<u>-</u>	<u>17</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17</u>

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

### Notes To The Consolidated Financial Information For The Year Ended 31 December 2016

	<u>Singapore</u>	<u>Australia</u>	<u>Korea</u>	<u>Thailand</u>	<u>Philippines</u>	<u>China</u>	<u>Others</u>	<u>Unallocated</u>	<u>Total</u>
<u>For year ended 31 Dec 2015</u>	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Revenue</b>									
Sales to external customers	5,194	4,003	6,957	4,287	1,595	-	1,491	-	23,527
Inter-segment sales	<u>(5,016)</u>	<u>3,020</u>	<u>1,996</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total sales revenue	<u>178</u>	<u>7,023</u>	<u>8,953</u>	<u>4,287</u>	<u>1,595</u>	<u>-</u>	<u>1,491</u>	<u>-</u>	<u>23,527</u>
<b>Results</b>									
Segment results	<u>12</u>	<u>835</u>	<u>2,324</u>	<u>252</u>	<u>315</u>	<u>(109)</u>	<u>920</u>	<u>(2,271)</u>	<u>2,278</u>
Income tax expense									<u>(1,010)</u>
Profit for the year									<u>1,268</u>
	<u>Singapore</u>	<u>Australia</u>	<u>Korea</u>	<u>Thailand</u>	<u>Philippines</u>	<u>China</u>	<u>Others</u>	<u>Unallocated</u>	<u>Total</u>
<u>As at 31 Dec 2015</u>	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Segment Assets</b>									
Total non-current assets	-	102	1	-	2	1	-	4,056	4,162
Deferred tax assets	-	55	-	-	-	-	-	6,300	6,355
Total current assets	<u>40</u>	<u>2,721</u>	<u>4,682</u>	<u>788</u>	<u>581</u>	<u>45</u>	<u>158</u>	<u>12,284</u>	<u>21,299</u>
Total assets	<u>40</u>	<u>2,878</u>	<u>4,683</u>	<u>788</u>	<u>583</u>	<u>46</u>	<u>158</u>	<u>22,640</u>	<u>31,816</u>
<b>Segment liabilities</b>									
Total liabilities	<u>-</u>	<u>(365)</u>	<u>(811)</u>	<u>-</u>	<u>(91)</u>	<u>(3)</u>	<u>(4)</u>	<u>(87,929)</u>	<u>(89,203)</u>

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

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### Notes To The Consolidated Financial Information For The Year Ended 31 December 2016

	<u>Singapore</u>	<u>Australia</u>	<u>Korea</u>	<u>Thailand</u>	<u>Philippines</u>	<u>China</u>	<u>Others</u>	<u>Unallocated</u>	<u>Total</u>
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b><u>For year ended 31 Dec 2015</u></b>									
<b>Other segment information</b>									
Capital expenditure on property, plant and equipment / intangible assets	<u>-</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>17</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>48</u>
<b>Material non-cash items</b>									
Write-off of inventories	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>

# SCIGEN LIMITED

## APPENDIX 4E – PRELIMINARY FINAL REPORT

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### Notes To The Consolidated Financial Information For The Year Ended 31 December 2016

#### 12. Contingent Liabilities

The Company provided corporate financial guarantee up to Polish zloty 62,000,000 (equivalent to US\$14,790,000 as at 31 December 2016) in favour of a bank in Poland as a secondary security for a term loan facility granted to Bioton.

Management has evaluated the fair value of the corporate guarantee and is of the view that the fair value of the benefits derived from the guarantee to the bank in Poland is minimal and hence it is not recognised in the financial statements.

At the end of the reporting period, the Company was not required to fulfil any corporate guarantee to bank.

#### 13. Information on Audit or Review

This preliminary final report is based on accounts to which one of the following applies.

☐ The accounts have been audited. ☐ The accounts have been subject to review.

☒ The accounts are in the process of being audited or subject to review. ☐ The accounts have not yet been audited or reviewed.