Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2017

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A This return/report is for:
- ☐ a multiemployer plan
- ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan
- ☐ a DFE (specify) ____

B This return/report is:
- ☐ the first return/report
- ☐ the final return/report
- ☒ an amended return/report
- ☐ a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

D Check box if filing under:
- ☐ Form 5558
- ☐ automatic extension
- ☐ the DFVC program
- ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
SANHYD INC 401(K) PROFIT SHARING PLAN & TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2004

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
SANHYD, INCORPORATED

551 ESTUDILLO AVE
SAN LEANDRO, CA 94577-3213

2b Employer Identification Number (EIN)
94-3178914

2c Plan Sponsor's telephone number
510-352-3402

2d Business code (see instructions)
623000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/08/2018	VAN HA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b** EIN **4d** PN	
5 Total number of participants at the beginning of the plan year	**5**	719
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	628
a(2) Total number of active participants at the end of the plan year	**6a(2)**	621
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	7
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	628
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	628
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	19
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2J 2T 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [ ] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] ___ **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) .....…… ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ……..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2017 Form M-1 annual report. If the plan was not required to file the 2017 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE C (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Service Provider Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2017

This Form is Open to Public Inspection.

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
SANHYD INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
SANHYD, INCORPORATED

D Employer Identification Number (EIN)
94-3178914

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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WORLD FINANCIAL CENTER
250 VESEY STREET
NEW YORK, NY 10281

13-5674085

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PAYCHEX SECURITIES CORPORATION

225 KENNETH DRIVE
ROCHESTER, NY 14623

16-1486352

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

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4 WORLD FINANCIAL CENTER
250 VESEY STREET
NEW YORK, NY 10281

13-5674085

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
	BROKERAGE		Yes [X] No [ ]	Yes [ ] No [X]	13183	Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
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(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MERRILL LYNCH, PIERCE, FENNER 4 WORLD FINANCIAL CENTER 250 VESEY STREET NEW YORK, NY 10281 13-5674085	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2017

This Form is Open to Public Inspection

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
SANHYD INC 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
SANHYD, INCORPORATED

D Employer Identification Number (EIN)
94-3178914

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	129	212
(2) U.S. Government securities	1c(2)	0	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	
(B) All other	1c(3)(B)	0	
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	
(B) Common	1c(4)(B)	0	
(5) Partnership/joint venture interests	1c(5)	0	
(6) Real estate (other than employer real property)	1c(6)	0	
(7) Loans (other than to participants)	1c(7)	0	
(8) Participant loans	1c(8)	13868	7128
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	887028	1093675
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	
	(2) Employer real property	1d(2)	0	
e	Buildings and other property used in plan operation	1e	0	
f	Total assets (add all amounts in lines 1a through 1e)	1f	901025	1101015
	Liabilities			
g	Benefit claims payable	1g	0	
h	Operating payables	1h	0	
i	Acquisition indebtedness	1i	0	
j	Other liabilities	1j	0	
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	901025	1101015

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	0	
	(B) Participants	2a(1)(B)	67764	
	(C) Others (including rollovers)	2a(1)(C)	0	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		67764
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	409	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		409
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	105802	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		105802
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		67030
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		241005
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4813	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		4813
f Corrective distributions (see instructions)	2f		36202
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		41015
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		199990
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: KEN SUN, CPA **(2)** EIN: 20-2064262

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		90103
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

SANHYD INC. 401 (K) PROFIT SHARING PLAN & TRUST

FINANCIAL STATEMENTS

Years Ended December 31, 2017 and 2016

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Independent Auditor's Report

To the Trustee of Sanhyd Inc. 401(k) Profit Sharing Plan & Trust:

Report on the Financial Statements

We have audited the accompanying financial statements of Sanhyd Inc. 401(k) Profit Sharing Plan & Trust, which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the years ended December 31, 2017 and 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the years ended December 31, 2017 and 2016, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of investments held at the end of the year are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Sun & Associates CPA
Hayward, California
July 26, 2018

SANHYD INC. 401-(K) PROFIT SHARING PLAN & TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2017 and 2016

	As of December 31, 2017	2016
ASSETS		
Investments	$ 1,093,887	$ 887,157
Participant notes receivable	7,128	13,868
Total assets	1,101,015	901,025
Net assets available for benefits	$ 1,101,015	$ 901,025

See Accompanying Notes to Financial Statements

SANHYD INC. 401-(K) PROFIT SHARING PLAN & TRUST

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2017 and 2016

	Year Ended December 31, 2017	2016
ADDITIONS TO NET ASSETS		
Additions to net assets attributed to:		
Investment income (loss):		
Interest and dividends	$ 105,802	$ 40,371
Net appreciation (depreciation)	67,030	(2,826)
Total investment income	172,832	37,545
Interest from participant notes receivable	409	720
Contributions:		
Participants	31,562	22,838
Total additions	204,803	61,103
DEDUCTIONS FROM NET ASSETS		
Deductions from net assets attributed to:		
Benefits paid to participants	4,813	126,300
Administrative expense	-	140
Total deductions	4,813	126,440
Net increase (decrease)	199,990	(65,337)
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	901,025	966,362
End of year	$ 1,101,015	$ 901,025

See Accompanying Notes to Financial Statements

SANHYD INC. 401 (K) PROFIT SHARING PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2017 and 2016

NOTE 1 – DESCRIPTION OF PLAN

The following description of the Sanhyd Inc. ("the Company") 401 (K) Profit Sharing Plan and Trust ("the Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The plan is a defined as a contribution retirement plan of profit-sharing type containing a cash or deferred arrangement described in Internal Revenue Code Section 401(k). All employees of the Company who are 21 or over, excluding employees under collective bargaining agreements, employees who are employed by an affiliated employer which does not adopt this Plan, non-resident aliens, and leased employees, are eligible to participate in the Plan after providing three months of service and whose hours of service a year are 1,000 or more. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and certain provisions of the Internal Revenue Code.

The Plan assets are in an account held by Merrill Lynch, Pierce, Fenner & Smith Inc. The Plan offers a variety of core funds and allows participants to rollover amounts from other qualified plans or IRA's.

The following employers participate in the Plan:

Federal Tax Identification Number	Participating Employer Name	Designation
94-3178914	Sanhyd, Inc	Related
05-0632366	Red Bluff Health Care Inc	Related
56-2674928	PVR Rehab Services Inc	Related
20-2276015	Shattuck Health Care Inc	Related
51-0599132	Hycare Inc	Related
55-0830452	San Leandro Health Care	Related
55-0830450	Willow Pass Health Care	Related

Plan administration: The plan is administered under a written plan and trust agreement, and the trustee of that agreement is responsible for trusteeing the Plan's assets. Pratap Poddatoorz is the appointed trustee for the Plan and act at the direction of the Plan administrator. The Administrator is Sanhyd Inc. All matters other than investments that concern the operation of the Plan are the responsibility of the Administrator. The Administrator has the power and authority to interpret the terms of the Plan based on the Plan document and existing laws and regulations, as well as the power to determine all questions that arise under the Plan. Such power and authority include, for example, the administrative discretion necessary to resolve issues with respect to an employee's eligibility for benefits, credited service, disability and retirement, or to interpret any other term contained in the Plan and related documents. The Plan Administrator's interpretations and determinations are binding on all Participants, employees, former employees and their beneficiaries.

NOTE 1 – DESCRIPTION OF PLAN (Continued)

Participant contributions: Participation in the Plan is voluntary. Participant's deferral percentage is subject to the maximum annual limit determined by the Internal Revenue Service. The maximum annual amount that can be contributed to a 401(k) arrangement as an elective deferral, that is, as a pre-tax contribution, is $18,000 each year for 2017 and 2016. For fiscal years beginning after December 31, 2001, individuals age 50 or over by the end of the plan year are allowed to make additional contributions to a 401(k) plan, in excess of the standard limits. Such additional contributions will be limited to the lesser of a specified dollar amount ($6,000 each year in 2017 and 2016) or the participant's compensation for the year reduced by the participant's other elective deferrals. Participants may also contribute amounts representing distributions from other qualified defined contribution plans.

Participants direct the investment of their contributions into various investment options offered by the Plan.

Employer contributions: The Company currently makes no matching contributions. The plan provides the option for the company to make discretionary profit-sharing contributions. No such discretionary contributions were made in 2016 and 2017.

Participant Account: Each participant's account is credited with the participant's contributions and Company matching contributions, if applicable, as well as allocations of the Company's profit-sharing contribution and Plan earnings. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participant notes receivable: Under the terms of the Plan, participants may borrow from their account up to 50 percent of their vested account balance. Participants are allowed to have one loan outstanding at a time. Loans must be repaid to the Plan through salary deductions over a period not to exceed five years or up to fifteen years for the purchase of primary residence. All loans become immediately payable in the event of default or termination of employment. In the event loan payments are not received when they are due, the Plan administrator may declare the loan in default.

Vesting: Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts, if any, plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after 5 years of participation in the Plan.

NOTE 1 – DESCRIPTION OF PLAN (Continued)

Payment of Benefits: On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a ten-year period. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Investment options: Upon enrollment in the Plan, a participant may direct his or her contributions in percentage increments into a series of mutual funds or a money fund, offered by the Plan. Participants may change their investments at any time.

Forfeited accounts: At December 31, 2017 and 2016, there have been no forfeited nonvested accounts.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting
The accompanying financial statements of the Plan are prepared on the accrual basis of accounting.

Use of estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of net assets and liabilities, changes therein, disclosure of contingent assets and liabilities and changes in net assets available for benefits. Accordingly, actual results could differ from those estimates.

Investment Valuation and Income Recognition
Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisers and custodians.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition (Continued)

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

Level 1	Quoted prices for identical assets in active markets to which the plan has access at the measurement date.
Level 2	Inputs other than quoted prices included in level 1 that are observable for the asset, either directly or indirectly. Level 2 inputs include: - Quoted prices for similar assets; - Quoted prices for identical or similar assets in markets that are not active; - Observable Inputs other than quoted prices for the asset (for example, interest rates and yield curves); and - Inputs derived principally from or corroborated by, observable market data by correlation or by other means.
Level 3	Unobservable inputs for the asset. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. See note 3 for table of assets by hierarchy.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
`

Participant loans are classified as notes receivable and recorded at their unpaid principal balance plus any accrued but unpaid interest receivable. Notes receivable due from participants totaled $7,128 at December 31, 2017 and $13,868 at December 31, 2016.

NOTE 3 - INVESTMENTS

The following tables set forth the fair value hierarchy, by level, and the Plan's investments a t fair value as of December 31, 2017 and 2016:

Investments at Fair Value as of December 31, 2017

	Level 1	Level 2	Level 3	Total
Mutual funds	$1,093,675			$1,093,675
Money market	212			$ 212
Investments at fair value	$1,093,887	$ -	$ -	$1,093,887

Investments at Fair Value as of December 31, 2016

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 887,028			$ 887,028
Money market	129			$ 129
Investments at fair value	$ 887,157	$ -	$ -	$ 887,157

NOTE 4 – SIGNIFICANT CONCENTRATION OF CREDIT RISK

The Plan provides for various investment options in any one of a combination of mutual funds that invest in stocks, bonds, fixed income securities and other investment securities. These investments are exposed to various risks, such as credit, interest rate, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participant's account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 5—INCOME TAX STATUS

The IRS has determined and informed the Company as of 2004 that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 6—PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

NOTE 7—RELATED PARTY AND PARTY-IN INTEREST TRANSACTIONS

Certain Plan investments in mutual funds are managed by Merrill Lynch, Pierce, Fenner & Smith Inc, the custodian of the Plan. Any purchases or sales of these funds are performed on the open market. Such transactions, while considered party-in interest transactions under ERISA regulations, are permitted under provisions of the Plan, and are specifically exempt from prohibited party-in interest regulations under ERISA.

Expenses of maintaining the Plan are paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants and benefits paid are charged directly to the related participant's account and are included in administrative expenses.

NOTE 8—SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 26, 2018 the date which financial statements were available for issue, and determined there were no material subsequent events that require adjustment or disclosure in the Plan's financial statements.

Sanhyd Inc. 401(K) Plan
EIN: 94-3178914 Plan: 001
Schedule H, Line 4 (i)
Schedule of Assets (Held at End of Year)
December 31, 2017

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment including Maturity date, rate of interest, par or maturity value	Current or Market Value
Held by Merrill Lynch, Pierce, Fenner & Smith Inc*		
Cash	Money Market Fund	$ 212
Blackrock Large Cap	Mutual Fund	40,159
Blackrock Large Cap Value	Mutual Fund	33,444
Blackrock Capital Appreciation Fund	Mutual Fund	325,173
Blackrock Value	Mutual Fund	103,680
Blackrock Global	Mutual Fund	439,739
Blackrock International Government	Mutual Fund	44
Davis NY Venture	Mutual Fund	42,458
JPMorgan Dynamic Small	Mutual Fund	53,621
MFS Total Return	Mutual Fund	46,081
Wells Fargo Core Bond FD	Mutual Fund	399
Blackrock International Fund	Mutual Fund	8,877
Total		$ 1,093,887

*Party-in-interest under ERISA

Sanhyd Inc. 401(K) Plan
EIN: 94-3178914 Plan: 001
Schedule H, Line 4 (i)
Schedule of Assets (Held at End of Year)
December 31, 2016

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment including Maturity date, rate of interest, par or maturity value	Current or Market Value
Held by Merrill Lynch, Pierce, Fenner & Smith Inc*		
Cash	Money Market Fund	$ 129
Blackrock Large Cap	Mutual Fund	26,441
Blackrock Large Cap Value	Mutual Fund	28,441
Blackrock Capital Appreciation Fund	Mutual Fund	220,903
Blackrock Value	Mutual Fund	100,105
Blackrock Global	Mutual Fund	381,354
Davis NY Venture	Mutual Fund	33,647
JPMorgan Dynamic Small	Mutual Fund	43,267
MFS Total Return	Mutual Fund	46,770
Wells Fargo Core Bond Fund	Mutual Fund	324
Blackrock International Fund	Mutual Fund	5,776
Total		$ 887,157

*Party-in-interest under ERISA

SANHYD INC. 401 (K) PROFIT SHARING PLAN & TRUST

FINANCIAL STATEMENTS

Years Ended December 31, 2017 and 2016

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Independent Auditor's Report

To the Trustee of Sanhyd Inc. 401(k) Profit Sharing Plan & Trust:

Report on the Financial Statements

We have audited the accompanying financial statements of Sanhyd Inc. 401(k) Profit Sharing Plan & Trust, which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the years ended December 31, 2017 and 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the years ended December 31, 2017 and 2016, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of investments held at the end of the year are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Sun & Associates CPA
Hayward, California
July 26, 2018

SANHYD INC. 401-(K) PROFIT SHARING PLAN & TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2017 and 2016

	As of December 31, 2017	2016
ASSETS		
Investments	$ 1,093,887	$ 887,157
Participant notes receivable	7,128	13,868
Total assets	1,101,015	901,025
Net assets available for benefits	$ 1,101,015	$ 901,025

See Accompanying Notes to Financial Statements

SANHYD INC. 401-(K) PROFIT SHARING PLAN & TRUST

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2017 and 2016

	Year Ended December 31, 2017	2016
ADDITIONS TO NET ASSETS		
Additions to net assets attributed to:		
Investment income (loss):		
Interest and dividends	$ 105,802	$ 40,371
Net appreciation (depreciation)	67,030	(2,826)
Total investment income	172,832	37,545
Interest from participant notes receivable	409	720
Contributions:		
Participants	31,562	22,838
Total additions	204,803	61,103
DEDUCTIONS FROM NET ASSETS		
Deductions from net assets attributed to:		
Benefits paid to participants	4,813	126,300
Administrative expense	-	140
Total deductions	4,813	126,440
Net increase (decrease)	199,990	(65,337)
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	901,025	966,362
End of year	$ 1,101,015	$ 901,025

See Accompanying Notes to Financial Statements

SANHYD INC. 401 (K) PROFIT SHARING PLAN & TRUST

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2017 and 2016

NOTE 1 – DESCRIPTION OF PLAN

The following description of the Sanhyd Inc. ("the Company") 401 (K) Profit Sharing Plan and Trust ("the Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The plan is a defined as a contribution retirement plan of profit-sharing type containing a cash or deferred arrangement described in Internal Revenue Code Section 401(k). All employees of the Company who are 21 or over, excluding employees under collective bargaining agreements, employees who are employed by an affiliated employer which does not adopt this Plan, non-resident aliens, and leased employees, are eligible to participate in the Plan after providing three months of service and whose hours of service a year are 1,000 or more. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and certain provisions of the Internal Revenue Code.

The Plan assets are in an account held by Merrill Lynch, Pierce, Fenner & Smith Inc. The Plan offers a variety of core funds and allows participants to rollover amounts from other qualified plans or IRA's.

The following employers participate in the Plan:

Federal Tax Identification Number	Participating Employer Name	Designation
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20-2276015	Shattuck Health Care Inc	Related
51-0599132	Hycare Inc	Related
55-0830452	San Leandro Health Care	Related
55-0830450	Willow Pass Health Care	Related

Plan administration: The plan is administered under a written plan and trust agreement, and the trustee of that agreement is responsible for trusteeing the Plan's assets. Pratap Poddatoorz is the appointed trustee for the Plan and act at the direction of the Plan administrator. The Administrator is Sanhyd Inc. All matters other than investments that concern the operation of the Plan are the responsibility of the Administrator. The Administrator has the power and authority to interpret the terms of the Plan based on the Plan document and existing laws and regulations, as well as the power to determine all questions that arise under the Plan. Such power and authority include, for example, the administrative discretion necessary to resolve issues with respect to an employee's eligibility for benefits, credited service, disability and retirement, or to interpret any other term contained in the Plan and related documents. The Plan Administrator's interpretations and determinations are binding on all Participants, employees, former employees and their beneficiaries.

NOTE 1 – DESCRIPTION OF PLAN (Continued)

Participant contributions: Participation in the Plan is voluntary. Participant's deferral percentage is subject to the maximum annual limit determined by the Internal Revenue Service. The maximum annual amount that can be contributed to a 401(k) arrangement as an elective deferral, that is, as a pre-tax contribution, is $18,000 each year for 2017 and 2016. For fiscal years beginning after December 31, 2001, individuals age 50 or over by the end of the plan year are allowed to make additional contributions to a 401(k) plan, in excess of the standard limits. Such additional contributions will be limited to the lesser of a specified dollar amount ($6,000 each year in 2017 and 2016) or the participant's compensation for the year reduced by the participant's other elective deferrals. Participants may also contribute amounts representing distributions from other qualified defined contribution plans.

Participants direct the investment of their contributions into various investment options offered by the Plan.

Employer contributions: The Company currently makes no matching contributions. The plan provides the option for the company to make discretionary profit-sharing contributions. No such discretionary contributions were made in 2016 and 2017.

Participant Account: Each participant's account is credited with the participant's contributions and Company matching contributions, if applicable, as well as allocations of the Company's profit-sharing contribution and Plan earnings. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Participant notes receivable: Under the terms of the Plan, participants may borrow from their account up to 50 percent of their vested account balance. Participants are allowed to have one loan outstanding at a time. Loans must be repaid to the Plan through salary deductions over a period not to exceed five years or up to fifteen years for the purchase of primary residence. All loans become immediately payable in the event of default or termination of employment. In the event loan payments are not received when they are due, the Plan administrator may declare the loan in default.

Vesting: Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts, if any, plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after 5 years of participation in the Plan.

NOTE 1 – DESCRIPTION OF PLAN (Continued)

Payment of Benefits: On termination of service due to death, disability or retirement, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments over a ten-year period. For termination of service due to other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution.

Investment options: Upon enrollment in the Plan, a participant may direct his or her contributions in percentage increments into a series of mutual funds or a money fund, offered by the Plan. Participants may change their investments at any time.

Forfeited accounts: At December 31, 2017 and 2016, there have been no forfeited nonvested accounts.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting
The accompanying financial statements of the Plan are prepared on the accrual basis of accounting.

Use of estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of net assets and liabilities, changes therein, disclosure of contingent assets and liabilities and changes in net assets available for benefits. Accordingly, actual results could differ from those estimates.

Investment Valuation and Income Recognition
Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisers and custodians.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition (Continued)

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

Level 1	Quoted prices for identical assets in active markets to which the plan has access at the measurement date.
Level 2	Inputs other than quoted prices included in level 1 that are observable for the asset, either directly or indirectly. Level 2 inputs include: - Quoted prices for similar assets; - Quoted prices for identical or similar assets in markets that are not active; - Observable Inputs other than quoted prices for the asset (for example, interest rates and yield curves); and - Inputs derived principally from or corroborated by, observable market data by correlation or by other means.
Level 3	Unobservable inputs for the asset. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. See note 3 for table of assets by hierarchy.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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Participant loans are classified as notes receivable and recorded at their unpaid principal balance plus any accrued but unpaid interest receivable. Notes receivable due from participants totaled $7,128 at December 31, 2017 and $13,868 at December 31, 2016.

NOTE 3 - INVESTMENTS

The following tables set forth the fair value hierarchy, by level, and the Plan's investments a t fair value as of December 31, 2017 and 2016:

Investments at Fair Value as of December 31, 2017

	Level 1	Level 2	Level 3	Total
Mutual funds	$1,093,675			$1,093,675
Money market	212			$ 212
Investments at fair value	$1,093,887	$ -	$ -	$1,093,887

Investments at Fair Value as of December 31, 2016

	Level 1	Level 2	Level 3	Total
Mutual funds	$ 887,028			$ 887,028
Money market	129			$ 129
Investments at fair value	$ 887,157	$ -	$ -	$ 887,157

NOTE 4 – SIGNIFICANT CONCENTRATION OF CREDIT RISK

The Plan provides for various investment options in any one of a combination of mutual funds that invest in stocks, bonds, fixed income securities and other investment securities. These investments are exposed to various risks, such as credit, interest rate, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participant's account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 5—INCOME TAX STATUS

The IRS has determined and informed the Company as of 2004 that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 6—PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

NOTE 7—RELATED PARTY AND PARTY-IN INTEREST TRANSACTIONS

Certain Plan investments in mutual funds are managed by Merrill Lynch, Pierce, Fenner & Smith Inc, the custodian of the Plan. Any purchases or sales of these funds are performed on the open market. Such transactions, while considered party-in interest transactions under ERISA regulations, are permitted under provisions of the Plan, and are specifically exempt from prohibited party-in interest regulations under ERISA.

Expenses of maintaining the Plan are paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants and benefits paid are charged directly to the related participant's account and are included in administrative expenses.

NOTE 8—SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 26, 2018 the date which financial statements were available for issue, and determined there were no material subsequent events that require adjustment or disclosure in the Plan's financial statements.

Sanhyd Inc. 401(K) Plan
EIN: 94-3178914 Plan: 001
Schedule H, Line 4 (i)
Schedule of Assets (Held at End of Year)
December 31, 2017

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment including Maturity date, rate of interest, par or maturity value	Current or Market Value
Held by Merrill Lynch, Pierce, Fenner & Smith Inc*		
Cash	Money Market Fund	$ 212
Blackrock Large Cap	Mutual Fund	40,159
Blackrock Large Cap Value	Mutual Fund	33,444
Blackrock Capital Appreciation Fund	Mutual Fund	325,173
Blackrock Value	Mutual Fund	103,680
Blackrock Global	Mutual Fund	439,739
Blackrock International Government	Mutual Fund	44
Davis NY Venture	Mutual Fund	42,458
JPMorgan Dynamic Small	Mutual Fund	53,621
MFS Total Return	Mutual Fund	46,081
Wells Fargo Core Bond FD	Mutual Fund	399
Blackrock International Fund	Mutual Fund	8,877
Total		$ 1,093,887

*Party-in-interest under ERISA

Sanhyd Inc. 401(K) Plan
EIN: 94-3178914 Plan: 001
Schedule H, Line 4 (i)
Schedule of Assets (Held at End of Year)
December 31, 2016

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment including Maturity date, rate of interest, par or maturity value	Current or Market Value
Held by Merrill Lynch, Pierce, Fenner & Smith Inc*		
Cash	Money Market Fund	$ 129
Blackrock Large Cap	Mutual Fund	26,441
Blackrock Large Cap Value	Mutual Fund	28,441
Blackrock Capital Appreciation Fund	Mutual Fund	220,903
Blackrock Value	Mutual Fund	100,105
Blackrock Global	Mutual Fund	381,354
Davis NY Venture	Mutual Fund	33,647
JPMorgan Dynamic Small	Mutual Fund	43,267
MFS Total Return	Mutual Fund	46,770
Wells Fargo Core Bond Fund	Mutual Fund	324
Blackrock International Fund	Mutual Fund	5,776
Total		$ 887,157

*Party-in-interest under ERISA