10-Q 1 f10q033117_10q.htm FORM 10Q QUARTERLY REPORT

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10–Q

(Mark One)
☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **March 31, 2017**

or

☒ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____________ to ________________

Commission file number: 333-190547

SweeGen, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**80-0910515**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

30321 Esperanza Avenue, Rancho Santa Margarita, CA 92688
(Address of principal executive offices)

949-709-0583
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and " emerging growth company" in Rule 12b-2 of the Exchange Act (Check one).

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☒
	Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 16, 2017, there are 25,503,453 shares of the issuer's common stock, par value $0.001, outstanding.

EXPLANATORY NOTE

SweeGen, Inc., formerly Aceway Corp., is a voluntary filer of reports required of companies with public securities under Sections 13 or 15(d) of the Securities Exchange Act of 1934 as amended.

SWEEGEN, INC.

FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2017
TABLE OF CONTENTS

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

SWEEGEN, INC.
(Formerly Aceway Corp.)
Consolidated Balance Sheets

	March 31, 2017 (Unaudited)	June 30, 2016
ASSETS		
CURRENT ASSETS		
Cash	$ 728	$ 683,542
Prepaid expenses	-	21,206
TOTAL ASSETS	$ 728	$ 704,748
LIABILITIES AND STOCKHOLDERS' DEFICIT		
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	$ 36,472	$ 517,404
Deferred Revenue	399,966	-
Derivative liability	-	1,505
Earnest money deposit	-	2,000,000
Total Current Liabilities	436,438	2,518,909
Long Term Liabilities:		
Deferred Revenue	1,465,084	-
Total Long Term Liabilities	1,465,084	-
TOTAL LIABILITIES	1,901,522	2,518,909
COMMITMENTS AND CONTINGENCIES (see Note 7)		
STOCKHOLDERS' DEFICIT		
Common Stock, 75,000,000 shares authorized; par value $0.001; 25,503,453 and 25,336,234 issued and outstanding at March 31, 2017 and June 30, 2016, respectively	25,503	25,336
Additional paid in capital	(26,841)	(26,841)
Accumulated deficit	(1,899,456)	(1,812,656)
Total Stockholders' Deficit	(1,900,794)	(1,814,161)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 728	$ 704,748

The accompanying notes are an integral part of these consolidated financial statements.

SWEEGEN, INC.
(Formerly Aceway Corp.)
Consolidated Statements of Operation
(Unaudited)

	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
REVENUES	$ 98,622	$ -	$ 134,783	$ -
OPERATING EXPENSES:				
Research and development	-	1,000,000	-	1,000,000
General and administrative	87,582	66,896	223,088	101,448
Total operating expenses	87,582	1,066,896	223,088	1,101,448
Net income (loss) before other income (expense)	11,040	(1,066,896)	(88,305)	(1,101,448)
Other income: Change in fair value of warrants	-	-	1,505	-
NET INCOME (LOSS)	$ 11,040	$ (1,066,896)	$ (86,800)	$ (1,101,448)
Net loss per share (Basic and Diluted)	$ 0.00	$ (0.04)	$ (0.00)	$ (0.04)
Weighted average number of shares outstanding	25,503,453	25,336,234	25,411,299	25,336,234

The accompanying notes are an integral part of these consolidated financial statements.

SWEEGEN, INC.
(Formerly Aceway Corp.)
Consolidated Statements of Cash Flows
(Unaudited)

	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (86,800)	$ (1,101,448)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in prepaid expenses	21,206	-
Change in accounts payable and accrued expenses	(480,932)	995,800
Change in earnest money deposit	(2,000,000)	-
Change in deferred revenue	1,865,050	-
Change in fair value of derivative liability	(1,505)	-
Net cash used in operating activities	(682,981)	(105,648)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from sale of common stock	167	-
Net proceeds from related parties	-	105,648
Net cash provided by financing activities	167	105,648
Net change in cash	(682,814)	-
Cash, beginning of the period	683,542	-
Cash, end of the period	$ 728	$ -
Supplemental Disclosures:		
Cash paid for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -

The accompanying notes are an integral part of these consolidated financial statements.

SWEEGEN, INC.
Notes to the Consolidated Financial Statements
March 31, 2017

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

SweeGen, Inc*., formerly Aceway Corp.* (the "Company"), is a Nevada corporation incorporated on April 1, 2013. On December 23, 2014, the Company entered into a share exchange agreement (the “Exchange Agreement”) with Phytosub, Inc. (“Phytosub”), and the shareholder of Phytosub (the “Phytosub Shareholder”), pursuant to which the Phytosub Shareholder transferred all of the issued and outstanding capital stock of Phytosub to the Company in exchange for 25,000,000 shares of common stock of the Company. The transaction closed on December 23, 2014. As a result, Phytosub, a Nevada corporation formed on December 5, 2014, became a wholly owned subsidiary of the Company and the Phytosub Shareholder (the “Majority Shareholder”) acquired a controlling interest in the Company (the “Share Exchange”). For accounting purposes, the Share Exchange was treated as an acquisition of Aceway Corp. and a recapitalization of PhytoSub. PhytoSub is the accounting acquirer and the results of its operations carryover. Accordingly, the operations of Aceway Corp. are not carried over and have been adjusted to $0.

On December 23, 2014, the Company entered into a purchase agreement (the “Purchase Agreement”) with Armando Espinoza, a former officer and director of the Company, pursuant to which the Company sold and transferred all assets of the Company existing prior to the consummation of the Share Exchange to Mr. Espinoza. The transaction closed on December 23, 2014. In consideration for the transfer of such assets, Mr. Espinoza (i) surrendered for cancellation 25,000,000 shares of the Company’s common stock owned by him; and (ii) assumed any and all liabilities of the Company existing prior to the consummation of the Share Exchange and agreed to assume any and all liabilities of the Company later asserted against the Company that related to the Company’s operations prior to the consummation of the Share Exchange. Due to the cancellation of Mr. Espinoza’s 25,000,000 shares and the issuance of 25,000,000 shares to Phytosub pursuant to the Exchange Agreement, the Company’s issued and outstanding shares of common stock was 35,000,020 after giving effect to the transactions described above.

On December 23, 2014, twenty-nine (29) Aceway Corp. shareholders delivered certificates and signed stock powers agreeing to cancel 9,663,786 shares of their common stock at any time that the Company wanted to cancel such shares. In February 2016, the Company cancelled the 9,663,786 shares. The Company’s issued and outstanding shares of common stock totaled 25,336,234 after giving effect to the cancellation.

The Company is a development stage business-to-business company that intends to leverage its extensive experience and resources in managing and developing large and small private and public companies; pathway engineering; microbial platform development; and developing and supplying ingredients and biological products in the field of sweeteners to be used in its customers’ finished products. The Company intends to seek, develop and acquire, completely or a substantial interest in, companies or assets that would benefit from or that can be developed using the knowledge and expertise of the Company’s management resources.

The Company’s most significant recent business development is the development and manufacture of a high purity stevia sweetener Rebaudioside M and Rebaudioside D product (the “Products”). At the end of January 2017, a customer of the Company began using the Product in a bottled beverage trial. In February 2017, the Product received FDA no objection letter. The Company anticipates receiving additional regulatory approvals in other countries as well as orders for the Product in the near future.

On November 28, 2016, the Company entered into a 5-year distribution agreement (the “Distribution Agreement”) with Ingredion Incorporated (“Ingredion”) pursuant to which Ingredion will serve as the Company’s global distributor for the Products. Pursuant to the terms of the Distribution Agreement, Ingredion will serve as the exclusive distributor of the Products other than to the Company’s intended in-house accounts (the “House Accounts”) and other than within the People’s Republic of China (the “PRC”). The Company’s House Accounts are entities with whom the Company is in active discussions regarding direct distribution of the Products. Ingredion will serve as a non-exclusive distributor of the Products in the PRC. The parties intend to initiate distribution pursuant to the terms of the Distribution Agreement within the United States and expand as the parties collaborate on respective regulatory approvals for the Products in other markets.

SWEEGEN, INC.
Notes to the Consolidated Financial Statements
March 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue and Deferred Revenue

The Company receives payments in advance of issuing distribution agreements for its product which is considered deferred revenue. The Company then recognizes revenues from these agreements ratably over the expected life of the agreement beginning on the commencement date of the distribution agreement, when distribution rights are considered transferred to the distributor. The Company recognizes product sales revenues at the time title to the goods and all risks of ownership transfer to the customer. This transfer is considered complete when a sales agreement is in place, delivery has occurred, pricing is fixed or determinable and collection is reasonably assured.

Unaudited Interim Financial Statements

The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States of America for interim financial information and with the instructions to Form 10-Q and Regulation S-X. Accordingly, the financial statements do not include all of the information and footnotes required by GAAP for complete financial statements.

In the opinion of management, all adjustments consisting of normal recurring entries necessary for a fair statement of the periods presented for: (a) the financial position; (b) the results of operations; and (c) cash flows, have been made in order to make the financial statements presented not misleading. The results of operations for such interim periods are not necessarily indicative of operations for a full year.

Basis of Presentation

The capital accounts of the Company have been retroactively restated to reflect the equivalent number of common shares based on the exchange ratio of the Share Exchange in the basic and diluted weighted-average shares, effective December 23, 2014.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of SweeGen, Inc., and its wholly owned subsidiary Phytosub. All significant inter-company balances and transactions have been eliminated.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. On an on-going basis, the Company evaluates its estimates, including, but not limited to, those related to investment tax credits, bad debts, income taxes and contingencies. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash in banks, money market funds, and certificates of term deposits with maturities of less than three months from inception, which are readily convertible to known amounts of cash and which, in the opinion of management, are subject to an insignificant risk of loss in value. As of March 31, 2017 and June 30, 2016, the Company had $728 and $683,542, respectively, in cash and no cash equivalents.

Net Loss Per Share of Common Stock

The Company has adopted ASC Topic 260, *Earnings per Share*, which requires presentation of basic earnings per share on the face of the income statement for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic earnings per share computation. In the accompanying consolidated financial statements, basic earnings (loss) per share are computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period.

SWEEGEN, INC.
Notes to the Consolidated Financial Statements
March 31, 2017

The following table sets forth the computation of basic earnings per share:

	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
Net loss	$ (86,800)	$ (1,101,448)
Weighted average common shares issued and Outstanding, Basic and Diluted	25,411,299	25,336,234
Net loss per share, Basic and Diluted	$ -	$ (0.04)

Basic net loss per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share include additional dilution from common stock equivalents, such as stock issuable pursuant to the exercise of stock options and warrants. The Company did not have any potentially dilutive securities, such as options or warrants, issued and outstanding as of March 31, 2017, and June 30, 2016.

Share-Based Expenses

ASC 718, *Compensation – Stock Compensation*, prescribes accounting and reporting standards for all share-based payment transactions in which employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options or other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, *Equity–Based Payments to Non-Employees*. Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

There were no share-based expenses for the period from inception (December 5, 2014) to March 31, 2017.

Deferred Income Taxes and Valuation Allowance

The Company accounts for income taxes under ASC 740, *Income Taxes* ("ASC 740"). Under the asset and liability method of ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial *statements* carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations. No deferred tax assets or liabilities were recognized as of March 31, 2017 or June 30, 2016.

Concentrations of Credit Risk

The Company's financial instruments that are exposed to concentrations of credit risk primarily consist of its cash and cash equivalents and related party payables it will likely incur in the near future. The Company places its cash and cash equivalents with financial institutions of high credit worthiness. At times, its cash and cash equivalents with a particular financial institution may exceed any applicable government insurance limits. The Company's management plans to assess the financial strength and credit worthiness of any parties to which it extends funds, and as such, it believes that any associated credit risk exposures are limited.

SWEEGEN, INC.
Notes to the Consolidated Financial Statements
March 31, 2017

Fair Value of Financial Instruments

The Company adopted ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"*)*, for assets and liabilities measured at fair value on a recurring basis. ASC 820 establishes a common definition for fair value to be applied to existing U.S. GAAP that requires the use of fair value measurements which establishes a framework for measuring fair value and expands disclosure about such fair value measurements.

ASC 820 defines fair value as 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. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized below:

Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data

Level 3: Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

The carrying amounts reported in the balance sheet for cash, accounts payable, and accrued liabilities approximate their estimated fair market value based on the short-term maturity of this instrument.

The derivative liability as of June 30, 2016 was the result of the warrants that were issued in April 2016 to Ingredion. The warrants had expiration dates of December 31, 2016. The warrants were exercised on November 30, 2016. The following table presents a reconciliation of the derivative liability measured at fair value on a recurring basis using significant unobservable input (Level 3) on June 30, 2016 and March 31, 2017:

		Conversion feature derivative liability
Balance June 30, 2016	$	1,505
Change in fair value		(1,505)
Balance March 31, 2017	$	-

Related Parties

The Company follows ASC 850, *Related Party Disclosures*, for the identification of related parties and disclosure of related party transactions. During the period from inception (December 5, 2014) to April 21, 2016, a company owned by the Majority Shareholder, loaned the Company $170,641 to pay for professional fees and other general and administrative expenses. The Company repaid the $170,641 on April 21, 2016. As of March 31, 2017, and June 30, 2016, no amounts were owed to the Majority Shareholder for loans provided to pay for professional fees and other general and administrative expenses. As of June 30, 2016, the Company owed $500,000 to a company owned by the Company's Majority Shareholder for product research and development services provided from April 1, 2016 through June 30, 2016. The $500,000 owed as of June 30, 2016, was paid on July 7, 2016.

On November 28, 2016, the Company entered into a patent license agreement (the "License Agreement") with Conagen Inc. ("Conagen"), a corporation majority owned by Steven Chen, the Company's President, Director and majority shareholder. Pursuant to the terms of the License Agreement, Conagen granted to the Company an exclusive, perpetual and sub-licensable license to use its know-how, technology and intellectual property relating to development, production, distribution and commercialization of compounds, substances, products and services related to the stevia plant for use in food and beverage flavoring (the "Licensed Technology"). The license allows the Company to use the Licensed Technology in the research, development, manufacture, marketing, sale, distribution and support of the Products.

SWEEGEN, INC.
Notes to the Consolidated Financial Statements
March 31, 2017

Commitments and Contingencies

The Company follows ASC 450-20, *Loss Contingencies*, to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated. There were no commitments or contingencies as of March 31, 2017, and June 30, 2016. See Note 7 – Earnest Money Deposit/Deferred Revenue.

Recent Accounting Pronouncements

In May 2014, the FASB issued new guidance related to revenue recognition. In March, April and May 2016, the FASB issued additional amendments to the new revenue guidance relating to reporting revenue on a gross versus net basis, identifying performance obligations, licensing arrangements, collectability, noncash consideration, presentation of sales tax, and transition. This new standard will replace all current GAAP guidance on this topic and eliminate all industry specific guidance. The new revenue recognition update guidance provides a unified model to determine how revenue is recognized. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The FASB has issued several updates to the standard which i) clarify the application of the principal versus agent guidance (ASU 2016-08); ii) clarify the guidance on inconsequential and perfunctory promises and licensing (ASU 2016-10) and iii) narrow-scope improvements and practical expedients (ASU 2016-12). On July 9, 2015, the FASB voted to defer the effective date by one year to December 15, 2017 for interim and annual reporting periods beginning after that date and permitted early adoption of the standard, but not before the original effective date of December 15, 2016. Entities have the option of using either a full retrospective or a modified retrospective approach to adopt the new standard. Therefore, the new standard will be effective commencing with the Company's quarter ending March 31, 2018. The Company is currently assessing the potential impact of this new standard on its consolidated financial statements and has not selected the transition method.

Reclassification

The Company has made certain reclassifications to conform prior periods' data to the current presentation. These reclassifications had no effect on reported assets, liabilities or results of operations. Due to the February 2016 cancellation of 9,663,786 shares, the Company reduced common stock and negative additional paid in capital by 9,664 on the fiscal year 2015 consolidated financial statements, and the Company effectively reduced the total shares outstanding on the fiscal year 2015 consolidated financial statements by the 9,663,786 shares that were cancelled in February 2016.

Subsequent Events

The Company has evaluated subsequent events through May 16, 2017, the date of issuance of the financial statements.

NOTE 3 - GOING CONCERN

The Company's consolidated financial statements are prepared using U.S. GAAP applicable to a going concern, which contemplate the realization of assets and liquidation of liabilities in the normal course of business. The Company had an accumulated deficit of $1,899,456 as of March 31, 2017, and a working capital deficit of $435,710 as of March 31, 2017, The Company has not established an ongoing source of revenues sufficient to cover its operating costs, and requires additional capital to continue its operating plan and generate Product sales. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital and generate Product sales, it could be forced to cease operations. These factors raise substantial doubt about its ability to continue as a going concern.

In order to continue as a going concern, the Company will need, among other things, additional capital resources. Management's plan to obtain such resources for the Company include: sales of equity instruments; traditional financing, such as loans; and obtaining capital from management and significant stockholders sufficient to meet its operating expenses. However, management cannot provide any assurance that the Company will be successful in accomplishing any of its plans.

There is no assurance that the Company will be able to obtain sufficient additional funds when needed or that such funds, if available, will be obtainable on terms satisfactory to the Company. The obtainment of financing, the successful development of the Company's contemplated plan of operations, or its transition, ultimately, and generation of Product sales, to the attainment of profitable operations are necessary for the Company to continue operations. The ability to successfully resolve these factors raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements of the Company do not include any adjustments that may result from the outcome of these aforementioned uncertainties.

SWEEGEN, INC.
Notes to the Consolidated Financial Statements
March 31, 2017

NOTE 4 - EQUITY

Authorized Stock

The Company's Articles of Incorporation authorize 75,000,000 shares of common stock with a par value of $0.001 per share. Each share of common stock entitles the holder to one vote, in person or proxy, on any matter on which action of the stockholders of the Company is sought.

Common Shares

On December 23, 2014, twenty-nine (29) Aceway Corp. shareholders signed stock powers agreeing to cancel 9,663,786 shares of their common stock at any time that the Company wanted to cancel such shares. In February 2016, the Company cancelled the 9,663,786 shares. On November 30, 2016, Ingredion exercised its warrants to purchase 167,219 shares of the Company's $.001 par value common stock. The Company effectively had 25,503,453 and 25,336,234 common shares issued and outstanding as of March 31, 2017 and June 30, 2016, respectively.

Preferred shares

No preferred shares have been authorized or issued.

Stock Options and Warrants

On April 17, 2016, the Company issued two warrants to Ingredion in connection with the parties' discussions of potential business initiatives and developments. The Company issued Ingredion two warrants that each provided Ingredion the right to acquire 0.33% of the Company's total outstanding common stock on the exercise date, for a total of 0.66% of the total outstanding common stock on the exercise date. The exercise price of the warrants was $.001 per share. Pursuant to the terms of the warrants, Ingredion could exercise the warrants in whole or in part at any time prior to the expiration date of December 31, 2016, which was subject to extension until March 31, 2017 upon mutual agreement of the parties. The parties agreed that if they had not finalized any business relationship agreements by the expiration date, and the warrants had not been exercised, the Company would refund $1 million of the consideration paid by Ingredion upon Ingredion's request and cancellation of one of the warrants. The business relationship agreements were finalized on November 28, 2016 with the execution of a Distribution Agreement and Ingredion exercised the warrants on November 30, 2016.

The Company has no outstanding stock options and does not have any outstanding rights to acquire securities.

NOTE 5 - PROVISION FOR INCOME TAXES

The Company is subject to taxation in the United States and certain state jurisdictions. The Company has not taken any uncertain tax positions, however, the Company has open tax years subject to audit by the Internal Revenue Service for the years beginning in 2013.

Due to the change in ownership provisions of the income tax laws of the United States, net operating loss carry forwards for federal income tax reporting purposes are subject to annual limitations. When a change in ownership occurs, net operating loss carry forwards may be limited as to use in future years.

SWEEGEN, INC.
Notes to the Consolidated Financial Statements
March 31, 2017

The provision for income taxes differs from the amounts that would be provided by applying the statutory federal income tax rate of 34% to the net loss before provision for income taxes due primarily to changes in the valuation allowance to fully reserve net deferred tax assets. Realization of deferred tax assets is dependent upon sufficient future taxable income during the period that deductible temporary differences and carry-forwards are expected to be available to reduce taxable income. As the achievement of required future taxable income is uncertain, the Company recorded a valuation allowance. The Company has not recorded a provision for income taxes for the three and nine months ended March 31, 2017 and 2016 since the Company has had net operating losses since inception (December 5, 2014).

	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
Net operating loss before non-deductible items	$ 88,305	$ 1,101,448
Tax rate	34%	34%
Deferred tax assets	30,024	374,492
Less: Valuation allowance	(30,024)	(374,492)
Income tax expense per books	$ -	$ -

Due to uncertainties surrounding the Company's ability to generate future taxable income to realize deferred income tax assets arising as a result of net operating losses carried forward, the Company has not recorded any deferred income tax asset as of March 31, 2017 and 2016. The Company had accumulated losses of $1,899,456 and $1,812,656 as of March 31, 2017 and June 30, 2016, respectively. The net operating loss carry-forwards will begin to expire in varying amounts from year 2033, subject to eligibility as determined by respective tax regulating authorities.

Net deferred tax assets consist of the following components as of:

	March 31, 2017	June 30, 2016
Net operating loss carryover	$ 645,815	$ 616,303
Valuation allowance	(645,815)	(616,303)
Net deferred tax asset	$ -	$ -

NOTE 6 – RELATED PARTY TRANSACTIONS

The Company does not own or lease any real estate. The Majority Shareholder provides the Company with 200 square feet of furnished office space, which is its principal executive office. This location currently serves as the Company's primary office for planning and implementing its business plan. This space is currently sufficient for the Company's purposes, and management expects it to be sufficient for the foreseeable future. It is provided free of charge from the Majority Shareholder. The Company uses certain resources and services from an affiliated company, through common majority ownership, and is currently provided these without charge. These resources and services are expected be provided by such affiliate company on a charged basis on commercially reasonable terms, subject to a definitive shared facility and services agreement, which the Company anticipates concluding during fiscal year 2018. The Company will acquire its own facilities, equipment and personnel when it is in a sufficient financial position, which the Company expects will result in a material impact to its financial statements of the Company.

During the three and nine months ended March 31, 2016, a company owned by the Majority Shareholder loaned the Company incremental amounts totaling $66,896 and $105,648 respectively, to pay for professional fees and other general and administrative expenses. No such loans were provided during the three months or nine months ended March 31, 2017. All amounts loaned to the Company are non-interest bearing, are due on demand and were repaid during April 2016.

During the year ended June 30, 2016, Conagen Inc. ("Conagen"), a corporation majority owned by Steven Chen, the Company's President, Director and majority shareholder provided product research and development services to the Company valued at $1,500,000. During the year ended June 30, 2016, $1,000,000 of the $1,500,000 was paid to Conagen, resulting in a balance of $500,000 owed as of June 30, 2016 to Conagen. The $500,000 owed as of June 30, 2016 was paid on July 7, 2016. Conagen provides research and development and process development services to various companies utilizing proprietary technology. Conagen is developing proprietary products for the Company.

SWEEGEN, INC.
Notes to the Consolidated Financial Statements
March 31, 2017

On November 28, 2016, the Company entered into a patent license agreement (the" License Agreement") with Conagen. Pursuant to the terms of the License Agreement, Conagen granted to the Company an exclusive, perpetual and sub-licensable license to use its know-how, technology and intellectual property relating to development, production, distribution and commercialization of compounds, substances, products and services related to the stevia plant for use in food and beverage flavoring (the "Licensed Technology"). The license allows the Company to use the Licensed Technology in the research, development, manufacture, marketing, sale, distribution and support of the Products. Pursuant to the terms of the License Agreement, the Company must pay a minimum royalty to Conagen of $2 million per year beginning in the year in which there is a first commercial sale ("FCS") of the Products, and as follows: (i) 10% of the Company's Product net sales for the year of FCS (pro-rated, if necessary); (ii) 9% of Product net sales for the first year after FCS; (iii) 8% of Product net sales for the second year after FCS; (iv) 7% of Product net sales for the third year after FCS; (v) 6% of Product net sales for the fourth year after FCS; and (vi) 5% of Product net sales for all following years after FCS.

On December 31, 2016, a company affiliated with the Company through common majority ownership, entered into an intellectual property licenses and strain access agreement with Amyris, Inc. ("Amyris"). As part of the agreement the affiliated company was to pay Amyris $10,000,000 for certain intellectual property as well as access to certain strains. On April 17, 2017 the affiliated company entered into an agreement with Amyris, to accelerate both market access and strategic positioning in the sweetener market. As part of this agreement, in lieu of cash payment of $10,000,000 under the license agreement, the owner of the affiliate company of the Company, agreed to transfer to Amyris 850,115 shares of the Company's common stock owned by the Majority Shareholder, accounting for 3.33% of the Company's total outstanding common stock. These shares were transferred from the Majority Shareholder to Amyris on April 17, 2017.

The amounts and terms of the above transactions may not necessarily be indicative of the amounts and terms that would have been incurred had comparable transactions been entered into with independent third parties.

NOTE 7 – EARNEST MONEY DEPOSIT / DEFERRED REVENUE

On April 17, 2016, the Company received a $2,000,000 earnest money deposit from Ingredion in connection with the parties' discussions of potential business initiatives and developments. In addition, the Company issued two warrants to purchase shares of the Company's common stock, $0.001 par value per share. The two warrants provide Ingredion the right to acquire 0.33% of the Company's total outstanding common stock on the exercise date, for a total of 0.66% of the total outstanding common stock on the exercise date. The exercise price of the warrants is $.001 per share. Pursuant to the terms of the warrants, Ingredion could exercise the warrants in whole or in part at any time prior to the expiration date of December 31, 2016, which was subject to extension until March 31, 2017 upon mutual agreement of the parties. The parties agreed that if they had not finalized any business relationship agreements by the expiration date, and the warrants had not been exercised, the Company would refund $1 million of the consideration paid by Ingredion upon Ingredion's request and cancellation of one of the warrants. The Company recorded a $2,000,000 liability as of June 30, 2016 for this earnest money deposit. The business relationship agreements were finalized on November 28, 2016 with the execution of a Distribution Agreement and Ingredion exercised the warrants on November 30, 2016. As such, on November 30, 2016, the $2,000,000 earnest money deposit liability was eliminated and a deferred revenue liability was established in the amount of $1,999,833, to be recorded as revenue over the 5-year term of the Distribution Agreement. The remaining one hundred sixty seven dollars ($167.00) was used as consideration for the exercise of the warrants.

NOTE 8 – SUBSEQUENT EVENT

On April 7, 2017 and May 4, 2017, a company owned by the Majority Shareholder loaned the Company $9,990 and $49,975, respectively, to pay for professional fees and other general and administrative expenses.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.
Forward-Looking Statements

Except for historical information, this report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve risks and uncertainties, including, among other things, statements regarding our business strategy, future revenues and anticipated costs and expenses. Such forward-looking statements include, among others, those statements including the words "expects," "anticipates," "intends," "believes" and similar language. Our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, those discussed herein as well as in the "Risk Factors" section of our registration statement on Form S-1 originally filed with the Securities and Exchange Commission ("SEC") on August 12, 2013 and subsequently amended. You should carefully review these risks and those disclosed in other documents we file from time to time with the SEC. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this report. We undertake no obligation to publicly release any revisions to the forward-looking statements or reflect events or circumstances after the date of this document.

Although we believe that the expectations reflected in these forward-looking statements are based on reasonable assumptions, there are a number of risks and uncertainties that could cause actual results to differ materially from such forward-looking statements.

Introduction

Throughout this Quarterly Report on Form 10-Q, the terms "SWEE", "Registrant," "we," "us," "our," and "the Company" refer to SweeGen, Inc., a Nevada corporation that was formerly known as Aceway Corp. prior to its name change in December 2014.

Corporate Overview

SweeGen, Inc., formerly Aceway Corp. (the "Company"), is a Nevada corporation incorporated on April 1, 2013. On December 23, 2014, the Company entered into a share exchange agreement (the "Exchange Agreement") with Phytosub, Inc. ("Phytosub"), and the shareholder of Phytosub (the "Phytosub Shareholder"), pursuant to which the Phytosub Shareholder transferred all of the issued and outstanding capital stock of Phytosub to the Company in exchange for 25,000,000 shares of common stock of the Company. The transaction closed on December 23, 2014. As a result, Phytosub, a Nevada corporation formed on December 5, 2014, became a wholly owned subsidiary of the Company and the Phytosub Shareholder (the "Majority Shareholder") acquired a controlling interest in the Company (the "Share Exchange"). For accounting purposes, the Share Exchange was treated as an acquisition of Aceway Corp. and a recapitalization of PhytoSub. PhytoSub is the accounting acquirer and the results of its operations carryover. Accordingly, the operations of Aceway Corp. are not carried over and have been adjusted to $0.

On December 23, 2014, the Company entered into a purchase agreement (the "Purchase Agreement") with Armando Espinoza, a former officer and director of the Company, pursuant to which the Company sold and transferred all assets of the Company existing prior to the consummation of the Share Exchange to Mr. Espinoza. The transaction closed on December 23, 2014. In consideration for the transfer of such assets, Mr. Espinoza (i) surrendered for cancellation 25,000,000 shares of the Company's common stock owned by him; and (ii) assumed any and all liabilities of the Company existing prior to the consummation of the Share Exchange and agreed to assume any and all liabilities of the Company later asserted against the Company that related to the Company's operations prior to the consummation of the Share Exchange. Due to the cancellation of Mr. Espinoza's 25,000,000 shares and the issuance of 25,000,000 shares to Phytosub pursuant to the Exchange Agreement, the Company's issued and outstanding shares of common stock was 35,000,020 after giving effect to the transactions described above.

On December 23, 2014, twenty-nine (29) Aceway Corp. shareholders delivered certificates and signed stock powers agreeing to cancel 9,663,786 shares of their common stock at any time that the Company wanted to cancel such shares. In February 2016, the Company cancelled the 9,663,786 shares. The Company's issued and outstanding shares of common stock totaled 25,336,234 after giving effect to the cancellation.

The Company is a development stage business-to-business company that intends to leverage its extensive experience and resources in managing and developing large and small private and public companies; pathway engineering; microbial platform development; and developing and supplying ingredients and biological products in the field of sweeteners to be used in its customers' finished products. The Company intends to seek, develop and acquire, completely or a substantial interest in, companies or assets that would benefit from or that can be developed using the knowledge and expertise of the Company's management resources.

The Company's most significant recent business development is the development and manufacture of a high purity stevia sweetener Rebaudioside M and Rebaudioside D product (the "Products"). At the end of January 2017, a customer of the Company began using the Product in a bottled beverage trial. The Company anticipates receiving additional orders for the Product in the near future.

On November 28, 2016, the Company entered into a 5-year distribution agreement (the "Distribution Agreement") with Ingredion Incorporated ("Ingredion") pursuant to which Ingredion will serve as the Company's global distributor for the Products. Pursuant to the terms of the Distribution Agreement, Ingredion will serve as the exclusive distributor of the Products other than to the Company's intended in-house accounts (the "House Accounts") and other than within the People's Republic of China (the "PRC"). The Company's House Accounts are entities with whom the Company is in active discussions regarding direct distribution of the Products. Ingredion will serve as a non-exclusive distributor of the Products in the PRC. The parties intend to initiate distribution pursuant to the terms of the Distribution Agreement within the United States and expand as the parties collaborate on respective regulatory approvals for the Products in other markets.

Also on November 28, 2016, the Company entered into a patent license agreement (the "License Agreement") with Conagen Inc. ("Conagen"), a corporation majority owned by Steven Chen, the Company's President, Director and majority shareholder. Pursuant to the terms of the License Agreement, Conagen granted to the Company an exclusive, perpetual and sub-licensable license to use its know-how, technology and intellectual property relating to development, production, distribution and commercialization of compounds, substances, products and services related to the stevia plant for use in food and beverage flavoring (the "Licensed Technology"). The license allows the Company to use the Licensed Technology in the research, development, manufacture, marketing, sale, distribution and support of the Products. Pursuant to the terms of the License Agreement, the Company must pay a minimum royalty to Conagen of $2 million per year beginning in the year in which there is a first commercial sale ("FCS") of the Products, and as follows: (i) 10% of the Company's Product net sales for the year of FCS (pro-rated, if necessary); (ii) 9% of Product net sales for the first year after FCS; (iii) 8% of Product net sales for the second year after FCS; (iv) 7% of Product net sales for the third year after FCS; (v) 6% of Product net sales for the fourth year after FCS; and (vi) 5% of Product net sales for all following years after FCS.

On December 31, 2016, a company affiliated with the Company through common majority ownership, entered into an intellectual property licenses and strain access agreement with Amyris, Inc. ("Amyris"). As part of the agreement the affiliated company was to pay Amyris $10,000,000 for certain intellectual property as well as access to certain strains. On April 17, 2017 the affiliated company entered into an agreement with Amyris, to accelerate both market access and strategic positioning in the sweetener market. As part of this agreement, in lieu of cash payment of $10,000,000 under the license agreement, the owner of the affiliate company of the Company, agreed to transfer to Amyris 850,115 shares of the Company's common stock owned by the Majority Shareholder, accounting for 3.33% of the Company's total outstanding common stock. These shares were transferred from the Majority Shareholder to Amyris on April 17, 2017.

Results of Operations

Three Months Ended March 31, 2017 Compared to the Three Months Ended March 31, 2016 (unaudited)

The following table presents our results of operations for the three months ended March 31, 2017 and 2016:

	For the three months ended March 31, 2017	For the three months ended March 31, 2016
Revenue	$ 98,622	$ -
Operating Expenses		
Research and development	-	1,000,000
General and administrative	87,582	66,896
Total operating expenses	87,582	1,066,896
Net income (loss)	$ 11,040	$ (1,066,896)

For the three months ended March 31, 2017 we generated revenues of $98,622 and incurred $87,852 in professional fees and other general and administrative expenses, resulting in an operating income of $11,040. Revenues of $98,622 is the result of amortization for the quarter ended March 31, 2017 of the $1,999,833 deferred revenue recorded on November 28, 2016 in conjunction with the signing of the 5-year Distribution Agreement with Ingredion. For the three months ended March 31, 2016, we incurred $1,000,000 in research and development fees and $66,896 in professional fees and other general and administrative expenses, resulting in an operating and net loss of $1,066,896. The $1,000,000 of research and development services was provided by R&D Company, which provides research and development and process development services to various companies utilizing proprietary technology. The R&D Company is developing a proprietary product for the Company.

Nine Months Ended March 31, 2017 Compared to the Nine Months Ended March 31, 2016 (unaudited)

The following table presents our results of operations for the nine months ended March 31, 2017 and 2016:

	For the nine months ended March 31, 2017	For the nine months ended March 31, 2016
Revenue	$ 134,783	$ -
Operating Expenses		
Research and development	-	1,000,000
General and administrative	223,088	101,448
Total operating expenses	223,088	1,101,448
Operating loss	(88,305)	(1,101,448)
Other Income: Change in fair value of warrants	1,505	-
Net loss	$ (86,800)	$ (1,101,448)

For the nine months ended March 31, 2017 and 2016, we generated revenues of $134,783 and $0, respectively, and incurred $223,088 and $101,448, respectively, in professional fees and other general and administrative expenses, resulting in an operating loss of $88,305 and $1,101,448, respectively. In addition, for the nine months ended March 31, 2017 and 2016, we had other income of $1,505 and $0, respectively, resulting in a net loss of $86,800 and $1,101,448, respectively. Revenues of $134,783 is the result of amortization from November 28, 2016 through March 31, 2017 of the $1,999,833 deferred revenue recorded on November 28, 2016 in conjunction with the signing of the 5-year Distribution Agreement with Ingredion. Other income of $1,505 is the result of the settlement of the $1,505 warrant derivative liability when Ingredion exercised warrants on November 30, 2016.

Based upon the further research and commercialization efforts needed for our product offering, we cannot accurately predict revenue trends on a quarter-to-quarter basis.

Liquidity and Capital Resources

For the nine months ended March 31, 2017, the Company incurred a net loss of $86,800. For the year ended June 30, 2016, the Company incurred a net loss of $1,744,451, $1,500,000 of which was for product research and development and the remainder of which was primarily for professional fees. During the year ended June 30, 2016, a company owned by the Majority Shareholder loaned the Company incremental amounts totaling $102,436 to pay for professional fees and other general and administrative expenses incurred during the year ended June 30, 2016. A company owned by the Majority Shareholder loaned the Company (i) incremental amounts totaling $64,005 during the period from inception (December 5, 2014) to June 30, 2015 to pay for professional fees and other general and administrative expenses, and (ii) $4,200 on July 21, 2015 to pay for professional fees accrued as of June 30, 2015. All amounts loaned to the Company were non-interest bearing and were due on demand. The Company repaid the outstanding $170,641 on April 21, 2016. On April 7, 2017 and May 4, 2017, a company owned by the Majority Shareholder, loaned the Company $9,990 and $49,975, respectively, to pay for professional fees and other general and administrative expenses.

Currently we do not have sufficient capital to fund our business development for the next 12 months. We anticipate that we will need $1,000,000 to fund the next 12 months of our operations. If we are unable to meet our needs for cash from debt or equity financings, we may be unable to continue, develop, or expand our operations.

On April 17, 2016, we received $2,000,000 from Ingredion in connection with the parties' discussions of potential business initiatives and developments. The business relationship agreements were finalized on November 28, 2016 with the execution of a Distribution Agreement. As such, on November 30, 2016, $1,999,833 of the $2,000,000 received from Ingredion was recorded as deferred revenue, to be recorded as revenue over the 5-year term of the Distribution Agreement. The remaining one hundred sixty-seven dollars ($167.00) was used as consideration for the exercise of Ingredion's warrants, that resulted in the issuance to Ingredion of 167,219 shares of our $.001 par value common stock.

We do not have sufficient funds for any business development over the next 12 months. We do not have any material commitments for capital expenditures during the next twelve months. Therefore, our future operations may be dependent on our ability to secure additional financing and generate Product sales. Financing transactions may include the issuance of equity or debt securities, obtaining credit facilities, or other financing mechanisms. However, the trading price, or non-trading, of our common stock or a downturn in the U.S. equity and debt markets could make it more difficult to obtain financing through the issuance of equity or debt securities. Even if we are able to raise the funds required and generate Product sales, it is possible that we could incur unexpected costs and expenses, fail to collect significant amounts owed to us, or experience unexpected cash requirements that would force us to seek alternative financing. Furthermore, if we issue additional equity or debt securities, stockholders may experience additional dilution or the new equity securities may have rights, preferences or privileges senior to those of existing holders of our common stock. The inability to obtain additional capital and generate Product sales, may restrict our ability to deploy our business model and may reduce our ability to conduct business operations. If we are unable to obtain additional financing, we may have to curtail our marketing and development plans and possibly cease our operations.

There is limited historical financial information about us on which to base an evaluation of our performance. We are a development stage company and have generated limited revenues from operations. We cannot guarantee we will be successful in our business operations. Our business is subject to risks inherent in the establishment of a new business enterprise, including limited capital resources, possible delays in developing our products, and possible cost overruns due to the price and cost increases in supplies and services.

Working Capital Deficit	**March 31, 2017**	**June 30, 2016**	**(Decrease)/Increase**
Current Assets	$ 728	$ 704,748	$ (704,020)
Current Liabilities	436,438	2,518,909	(2,082,471)
Working Capital Deficit	$ (435,710)	$ (1,814,161)	$ 1,378,451

As at March 31, 2017, our current assets were $728, our current liabilities were $436,438 and our negative working capital was $435,710. We have had net operating losses of $1,899,456 since the Company's inception on December 5, 2014. We had no material commitments for capital expenditures as of March 31, 2017.

We have no known demands or commitments as of March 31, 2017 and we are not aware of any events or uncertainties that will result in or that are reasonably likely to materially increase or decrease our current liquidity.

Going Concern

Our auditors have included an emphasis of a matter paragraph regarding the substantial doubt about our ability to continue as a going concern in their opinion on our financial statements as of, and for the year ended, June 30, 2016. This means that there is substantial doubt that we can continue as an on-going business for the next 12 months unless we obtain additional capital to pay for our expenses. Accordingly, we must raise sufficient capital to sustain operations. In response, management intends to borrow funds or raise capital through public or private placement offerings.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors. The Company uses certain resources and services from an affiliated company, through common majority ownership, and is currently provided these without charge. These resources and services are expected to be provided by such affiliate company on a charged basis on commercially reasonable terms, subject to a definitive shared facility and services agreement, which the Company anticipates concluding during fiscal year 2018. The Company will acquire its own facilities, equipment and personnel when it is in a sufficient financial position, which the Company expects will result in a material impact to its financial statements of the Company.

Critical Accounting Policies and Estimates

We prepare our financial statements in conformity with U.S. GAAP, which requires management to make certain estimates and apply judgments. We base our estimates and judgments on historical experience, current trends and other factors that management believes to be important at the time the condensed consolidated financial statements are prepared. On a regular basis, we review our accounting policies and how they are applied and disclosed in our condensed consolidated financial statements.

While we believe that the historical experience, current trends and other factors considered support the preparation of our condensed consolidated financial statements in conformity with U.S. GAAP, actual results could differ from our estimates and such differences could be material.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As a "smaller reporting company", we are not required to provide the information required by this Item.

Item 4. Controls and Procedures.

Management's Report on Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management to allow for timely decisions regarding required disclosure.

As of the end of the quarter covered by this report, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, the Company's Chief Executive and Chief Financial Officer concluded that the Company's disclosure controls and procedures were not effective as of March 31, 2017 due to the Company's limited size, limited internal resources, and lack of ability to have multiple levels of transaction review.

Management is in the process of determining how best to change our current system and implement a more effective system to ensure that information required to be disclosed in our reports filed under the Exchange Act is recorded, processed, summarized and reported accurately. Our management acknowledges the existence of this problem, and intends to develop procedures to address them to the extent possible given limitations in financial and manpower resources. While management is working on a plan, no assurance can be made at this point that the implementation of such controls and procedures will be completed in a timely manner or that they will be adequate once implemented.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal controls over financial reporting that occurred during the quarter ended March 31, 2017 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

We know of no material, existing or pending legal proceedings against the Company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or, to our knowledge, any registered beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

Item 1A. Risk Factors.

As a "smaller reporting company" we are not required to provide the information required by this Item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

On December 31, 2016, an affiliated company through common majority ownership, entered into an intellectual property licenses and strain access agreement with Amyris, Inc. ("Amyris") As part of the agreement the affiliated company was to pay Amyris $10,000,000 for certain intellectual property as well as access to certain strains. On April 17, 2017 the affiliated company entered into an agreement with Amyris, to accelerate both market access and strategic positioning in the sweetener market. As part of this agreement, in lieu of cash payment of $10,000,000 under the license agreement, the owner of the affiliate company which is also the Majority Shareholder of the Company would give 850,115 shares of SweeGen common stock, accounting for 3.33% of SweeGen. These shares were transferred from the Majority Shareholder of SweeGen to Amyris on April 17, 2017.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

(a) None.

(b) There have been no material changes to the procedures by which security holders may recommend nominees to the Company's Board of Directors implemented in the quarter ended March 31, 2017.

Item 6. Exhibits.

The following exhibits are included as part of this report:

Exhibit No.	Description
31.1	Rule 13(a)-14(a)/15(d)-14(a) Certification of Principal Executive and Financial Officer
32.1	Rule 1350 Certification of Principal Executive and Financial Officer
101.INS	XBRL Instance
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculations
101.DEF	XBRL Taxonomy Extension Definitions
101.LAB	XBRL Taxonomy Extension Labels
101.PRE	XBRL Taxonomy Extension Presentation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SWEEGEN, INC.
(Registrant)

Dated: May 16, 2017

/s/ Steven Chen
Steven Chen
Chief Executive Officer, Chief Financial Officer, Secretary, Treasurer and Director
(Principal Executive, Financial, and Accounting Officer)