



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

## Unaudited Condensed Consolidated Statements of Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31-July-2011 RM'000	Preceding Year Corresponding Quarter 31-July-2010 RM'000	Current Year To Date 31-July-2011 RM'000	Preceding Year Corresponding Period 31-July-2010 RM'000
Revenue	12,407	11,086	22,967	23,326
Cost of sales	(13,012)	(9,087)	(22,492)	(18,967)
Gross (loss)/profit	(605)	1,999	475	4,359
Other income	4,162	277	4,657	393
Administration expenses	(826)	(557)	(1,459)	(735)
Other expenses	(395)	(668)	(688)	(1,541)
Finance costs	(174)	(49)	(249)	(91)
Profit before taxation	2,162	1,002	2,736	2,385
Income tax expense	-	800	(145)	465
Profit for the financial period	2,162	1,802	2,591	2,850



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

## Unaudited Condensed Consolidated Statements of Comprehensive Income (Cont'd)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31-July-2011 RM'000	Preceding Year Corresponding Quarter 31-July-2010 RM'000	Current Year To Date 31-July-2011 RM'000	Preceding Year Corresponding Period 31-July-2010 RM'000
Attributable to :				
Equity holders of the company	2,297	1,802	2,726	2,850
Non-controlling Interest	(135)	-	(135)	-
	<u>2,162</u>	<u>1,802</u>	<u>2,591</u>	<u>2,850</u>
Weighted average number of ordinary shares in issue ('000)	210,000	36,238	210,000	36,238
Earnings per share attributable to equity holders of the Company:				
Basic (sen)	1.09	4.97	1.30	7.86
Diluted (sen)	N/A	N/A	N/A	N/A

### Notes :

N/A - Not applicable

- (a) The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited consolidated financial statements of Careplus Group Berhad ("Company") for the financial period ended 31 January 2011 and the accompanying explanatory notes in this interim financial report.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

## Unaudited Condensed Consolidated Statements of Financial Position

	UNAUDITED As at 31-July-2011 RM'000	AUDITED As at 31-Jan-2011 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	35,518	20,682
Investment property	244	260
Goodwill on consolidation	205	205
	<u>35,967</u>	<u>21,147</u>
<b>Current assets</b>		
Inventories	6,860	5,929
Trade receivables	8,122	6,673
Other receivables, deposits and prepayments	7,187	590
Derivative assets	322	220
Cash and bank balances	1,880	6,501
Amount owing by a related party	-	6
Tax refundable	50	50
	<u>24,421</u>	<u>19,969</u>
<b>TOTAL ASSETS</b>	<u>60,388</u>	<u>41,116</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	21,000	21,000
Share premium	9,107	9,107
Merger deficit	(12,900)	(12,900)
Retained profits	15,886	13,160
<b>Total equity attributable to owners of the company</b>	<u>33,093</u>	<u>30,367</u>
<b>Non-controlling interest</b>	<u>(85)</u>	<u>-</u>
<b>Total Equity</b>	<u>33,008</u>	<u>30,367</u>



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

## Unaudited Condensed Consolidated Statements of Financial Position (Cont'd)

	UNAUDITED As at 31-July-2011 RM'000	AUDITED As at 31-Jan-2011 RM'000
<b>Non-current liabilities</b>		
Long-term borrowings	9,779	5,764
Deferred tax liabilities	158	158
	<u>9,937</u>	<u>5,922</u>
<b>Current liabilities</b>		
Trade payables	4,488	1,898
Other payables and accruals	8,359	1,645
Short-term borrowings	2,611	385
Provision for taxation	138	332
Bank overdraft	1,847	567
	<u>17,443</u>	<u>4,827</u>
<b>Total liabilities</b>	<u>27,380</u>	<u>10,749</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>60,388</u>	<u>41,116</u>
Net assets per share attributable to owners of the Company (sen) #	15.8	14.5

### Notes :

# The net assets per share is computed based on 210,000,000 ordinary shares of RM0.10 each.

- (a) The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited consolidated financial statements of the Company for the financial period ended 31 January 2011 and the accompanying explanatory notes in this interim financial report.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

## Unaudited Condensed Consolidated Statements of Cash Flows

	Current Year To Date 31-July-2011 RM'000	Preceding Year Corresponding Period 31-July-2010 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,736	2,385
Adjustments for :		
Depreciation of investment property	16	16
Depreciation of property, plant and equipment	684	493
Interest expenses	249	91
Fair value gain on derivatives	(102)	(222)
Interest income	(34)	(7)
Unrealised gain on foreign exchange	(79)	254
Dividend income	-	(1)
Gain on disposal of property, plant and equipment	-	(7)
Gain on disposal of other investment	-	(3)
Writeback of allowance for doubtful debts	-	(6)
Operating profit before working capital changes	3,470	2,993
Increase in inventories	(931)	(646)
Increase in trade and other receivables	(7,967)	(690)
Increase in trade and other payables	9,304	459
Decrease/(Increase) in amount owing by a related party	6	(16)
Cash from operations	3,882	2,100
Interest paid	(249)	(91)
Income tax paid	(339)	(430)
<b>Net cash from operating activities</b>	<b>3,294</b>	<b>1,579</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	34	7
Proceeds from issuance of shares from non-controlling interest	50	-
Proceeds from disposal of an associate	-	7
Dividend received	-	1
Proceeds from disposal of investment held for sale	-	400
Proceeds from disposal of other investment	-	58
Proceeds from disposal of property, plant and equipment	-	65
Purchase of property, plant and equipment	(11,522)	(2,211)
<b>Net cash for investing activities</b>	<b>(11,438)</b>	<b>(1,673)</b>



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

## Unaudited Condensed Consolidated Statements of Cash Flows (Cont'd)

	Current Year To Date 31-July-2011 RM'000	Preceding Year Corresponding Period 31-July-2010 RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of export credit refinancing, net	2,089	2,449
Drawdown of term loan	606	-
Dividend paid	-	(4,000)
Proceed from issuance of shares	-	*
Repayment of hire purchase obligations	(208)	(118)
Repayment of term loans	(244)	(59)
<b>Net cash from financing activities</b>	<b>2,243</b>	<b>(1,728)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(5,901)</b>	<b>(1,822)</b>
<b>EFFECTS OF FOREIGN EXCHANGE, NET</b>	<b>-</b>	<b>45</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>5,934</b>	<b>2,595</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>33</b>	<b>818</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE</b>		
Cash and bank balances	1,880	1,279
Bank overdraft	(1,847)	(461)
	<b>33</b>	<b>818</b>

### Notes :

\* - Represents RM10

(a) The Unaudited Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited consolidated financial statements of the Company for the financial period ended 31 January 2011 and the accompanying explanatory notes in this interim financial report.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

## Unaudited Condensed Consolidated Statements of Changes in Equity

	← Non-distributable →			←Distributable→			
	Share Capital	Share Premium	Merger Deficit	Retained Profits	Attributable to owners of the company	Non-controlling interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 31/01/2011	21,000	9,107	(12,900)	13,160	30,367	-	30,367
Investment in a subsidiary	-	-	-	-	-	50	50
Total comprehensive income for the financial period	-	-	-	2,726	2,726	(135)	2,591
<b>Balance at 31/07/2011</b>	<b>21,000</b>	<b>9,107</b>	<b>(12,900)</b>	<b>15,886</b>	<b>33,093</b>	<b>(85)</b>	<b>33,008</b>

### Notes :

- (a) The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited consolidated financial statements of the Company for the financial period ended 31 January 2011 and the accompanying explanatory notes in this interim financial report.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

## Unaudited Condensed Consolidated Statements of Changes in Equity(Cont'd)

	← Non-distributable →			← Distributable →	
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Retained Profits RM'000	Total Equity RM'000
Balance at 31/03/2010	14,495	1,380	-	11,649	27,524
Dividends	-	-	-	(1,500)	(1,500)
Merger deficit	-	-	(12,900)	-	(12,900)
Total comprehensive income for the financial period	-	-	-	2,850	2,850
<b>Balance at 31/07/2010</b>	<b>14,495</b>	<b>1,380</b>	<b>(12,900)</b>	<b>12,999</b>	<b>15,974</b>

### Notes :

- (a) The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited consolidated financial statements of the Company for the financial period ended 31 January 2011 and the accompanying explanatory notes in this interim financial report.





# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### A. EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING

#### 1. Basis of Preparation

This interim financial report is prepared in accordance with FRS 134: Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirement”).

The accounting policies and methods of computation adopted by the Company and its subsidiaries (the “Group”) for this interim financial report are in compliance with the new and revised FRSs, amendments to FRS and IC Interpretations issued by the Malaysian Accounting Standards Board (“MASB”).

The interim financial report should be read in conjunction with the audited consolidated financial statements of the Company for the financial period ended 31 January 2011 and the accompanying explanatory notes attached to this interim financial report.

#### 2. Adoption of New and Revised Accounting Policies

- (a) During the current financial period, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):

##### **FRSs and IC Interpretations (including the consequential amendments)**

FRS 1 (Revised) First-time Adoption of Financial Reporting Standards  
FRS 3 (Revised) Business Combinations  
FRS 127 (Revised) Consolidated and Separate Financial Statements  
Amendments to FRS 1 (Revised): Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters  
Amendments to FRS 1: Additional Exemptions for First-time Adopters  
Amendments to FRS 2: Scope of FRS 2 and FRS 3 (Revised)  
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions  
Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary  
Amendments to FRS 7: Improving Disclosures about Financial Instruments  
Amendments to FRS 138: Consequential Amendments Arising from FRS 3 (Revised)  
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement  
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and FRS 3 (Revised)  
IC Interpretation 4 Determining Whether An Arrangement Contains a Lease  
IC Interpretation 12 Service Concession Arrangements  
IC Interpretation 16 Hedges of a Net Investment in Foreign Operation  
IC Interpretation 17 Distributions of Non-cash Assets to Owners  
IC Interpretation 18 Transfers of Assets from Customers  
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments  
Annual Improvements to FRSs (2010)



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 2. Adoption of New and Revised Accounting Policies (Cont'd)

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's interim financial report.

- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the MASB but are not yet effective for the current financial period:

<b>FRSs and IC Interpretations (including the consequential amendments)</b>	<b>Effective date</b>
FRS 124 (Revised) Related Party Disclosures	1 January 2012
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012

The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Group's operations.

### 3. Auditors' Report on Preceding Annual Financial Statements

The auditors' reports for the Company and its subsidiaries preceding annual audited financial statements for the financial period ended 31 January 2011 were not subject to any qualification.

### 4. Seasonal or Cyclical Factors

The Group's business operations were not significantly affected by any major seasonal or cyclical factors.

### 5. Significant Unusual Items

There were no significant unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

### 6. Material Changes in Estimates

There were no material changes in estimates of amounts reported that have a material effect on the current quarter under review.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 7. Details of Changes in Debts and Equity Securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities during the current quarter under review.

### 8. Dividend

There was no dividend declared and paid during the current quarter under review.

### 9. Segmental Reporting

	6-month ended 31-July-2011				
	Manufacturing	Trading	Others	Eliminations	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External sales	13,904	9,063	-	-	22,967
Inter-segment sales	9,012	-	-	(9,012)	-
Total	<u>22,916</u>	<u>9,063</u>	<u>-</u>	<u>(9,012)</u>	<u>22,967</u>
<b>Results</b>					
Segment results	<u>(913)</u>	<u>125</u>	<u>3,739</u>	<u>-</u>	<u>2,951</u>
Interest income					34
Finance costs					<u>(249)</u>
Profit before taxation					2,736
Income tax expense					(145)
Non-controlling interest					<u>135</u>
Profit after taxation					<u>2,726</u>



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 9. Segmental Reporting (Cont'd)

	6-month ended 31-July-2010				
	Manufacturing	Trading	Others	Eliminations	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External sales	21,277	2,049	-	-	23,326
Inter-segment sales	15,676	-	-	(15,676)	-
Total	39,953	2,049	-	(15,676)	23,326
<b>Results</b>					
Segment results	2,800	7,836	(585)	(7,582)	2,469
Interest income					7
Finance costs					(91)
Profit before taxation					2,385
Income tax expense					465
Profit after taxation					2,850

### Geographical Segments for Revenue

	Current Year	Current Year
	Quarter	To-Date
	31-July-2011	31-July-2011
	RM'000	RM'000
Local	1,479	4,150
Export	10,928	18,817
	12,407	22,967

### 10. Valuation of Property, Plant and Equipment

The Group did not carry out any valuation on its property, plant and equipment during the current quarter under review.

### 11. Changes of the Composition of the Group

Save as disclosed below, there were no changes of the composition of the Group for the quarter under review:

On 25 July 2011, under the joint venture arrangement which was approved by the shareholder of Careplus, the company had disposed 49,999 ordinary shares of RM1.00 each in Careglove to Descarpack Descartaveis do Brazil Ltda. ("Descarpack"). The shares were registered under the name of Descarpack on 7 September 2011.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 12. Contingent Liabilities

The Group does not have any contingent liabilities as at the end of the current quarter.

### 13. Capital Commitments

Authorised capital expenditure not provided for in the interim financial report as at the end of the current quarter are as follows:

	<b>Current Year To-Date 31-July-2011 RM'000</b>
Contracted but not provided for	
- Construction of a factory	623
- Plant and machinery	5,206
- Acquisition of new land and building	8,550
	<u>14,379</u>

### 14. Events Subsequent to the End of the Interim Reporting Period

Save as disclosed below, there were no other events subsequent to the current financial quarter ended 31 July 2011 up to the date of this interim financial report which may substantially affect the results of the operations of the Group:

- (a) As mentioned in the Company's previous quarterly report for the financial period ended 30 April 2011, the Company had on 17 June 2011 entered into a conditional joint venture agreement with Descarpack Descartaveis Do Brasil Ltda. ("Descarpack") through the equity participation in Careglove Global Sdn Bhd ("Careglove") for the manufacturing and marketing of rubber gloves in Brazil and any other countries as may be mutually agreed in writing from time to time. The joint venture arrangement was also approved by the shareholder of Careplus on 25 July 2011. Hence, all the conditions precedent for the joint venture arrangement have been met on 25 July 2011; and
- (b) On 2 August 2011, Careplus (M) Sdn Bhd ("Careplus (M)"), a wholly-owned subsidiary of Careplus had entered into a conditional sale and purchase agreement to acquire a parcel of leasehold land held under PM 71 Lot No. 10577, Pekan Senawang, District of Seremban, Negeri Sembilan Darul Khusus together with the buildings erected thereon for a cash consideration of RM9.50 million.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 15. Related Party Disclosures

- (a) Identities of related parties
- (i) Entities controlled by certain key management personnel, directors and/or substantial shareholders; and
  - (ii) The directors who are the key management personnel.
- (b) In addition to balances detailed elsewhere in the financial statements, the Group carried out the following transactions with its related parties during the period under review:

**Current Year-to-Date  
31-July-2011  
RM'000**

Transactions with a close member of the family of a director,  
Lim Kwee Shyan :

Sales	77
Quality control and packing services expenses	66
Insurance and renewal of road tax services expenses	18
Construction expenses charged	14

Transactions with directors:  
Rental paid

37

- (a) Key management personnel

**Current Year-to-Date  
31-July-2011  
RM'000**

Short-term employee benefits	389
------------------------------	-----

### 16. Cash and Cash Equivalents

**Current Year-to-Date  
31-July-2011  
RM'000**

Fixed deposits placed with licensed banks	
Cash and bank balances	1,880
Bank overdraft	(1,847)
	33



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE LISTING REQUIREMENTS

#### 1. Review of Performance

Individual Quarter	Q2 2011	Q2 2010	Variance	Variance
	RM'000	RM'000	RM'000	%
Revenue	12,407	11,086	1,321	11.9
Profit before taxation ("PBT")	2,162	1,002	1,160	115.7

Cumulative Quarter	Q2 2011	Q2 2010	Variance	Variance
	RM'000	RM'000	RM'000	%
Revenue	22,967	23,326	(359)	(1.5)
PBT	2,736	2,385	351	14.7

The Group recorded revenue of RM12.4 million and RM23.0 million respectively for the current quarter and for the current year to date, an increase of 11.9% and decrease of 1.5% respectively over the corresponding quarters last year.

The increase in revenue for the current quarter compared to the corresponding quarter last year was due to weaker demand last year. However overall there is a decrease in revenue for the current year to date compared to the corresponding period last year. This was due to lower sales generated in the preceding quarter ended 30 April 2011 which was mainly due to the persistently high raw material prices and the adverse foreign exchange rate over the period.

PBT increased by 115.8% and 14.7% respectively for the current quarter and for the current year to date.

The increase in PBT for the current quarter compared to the corresponding quarter last year was solely due to the exceptional income mentioned in item B2 below. As a result, it also contributed to an increase in PBT for the current year to date compared to the corresponding period last year.

#### 2. Material Changes to the Results of the preceding quarter

Individual Quarter	Q2 2011	Q1 2011	Variance	Variance
	RM'000	RM'000	RM'000	%
Revenue	12,407	10,560	1,847	17.5
PBT	2,162	573	1,589	277.3

The Group recorded total revenue and PBT of approximately RM12.41 million and RM2.16 million, respectively for the quarter ended 31 July 2011.

The Group's revenue has increased by approximately RM1.85 million (or 17.5%) as compared to the preceding financial quarter. The increase in revenue was due to higher quantity of gloves sold compared to the preceding quarter. Also, as mentioned below in item B3, the Group had completed the commissioning of two (2) new production lines in June 2011, and these two (2) new production lines had started contributing to the sales from the month of July onwards.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 2. Material Changes to the Results of the preceding quarter (cont'd)

Despite the increased sales, the Group registered a gross loss, largely due to the combined impact of higher raw material prices, the weakening of the US dollar and the effect of additional start up costs for the new factory at Lot 17479 Jalan Senawang Tiga, Senawang Industrial Estate, 70450 Seremban, Negeri Sembilan Darul Khusus. However, on a cumulative basis, the Group recorded gross profit of approximately RM475,000 for the six (6)-month period ended 31 July 2011.

In terms of PBT, the Group registered a PBT of approximately RM2.16 million, an increase of approximately RM1.6 million or 277.3%. This was contributed entirely by the exceptional income recognized from the divestment of approximately 50% equity interest in a previously wholly owned subsidiary of the Group, Careglove to the Group's joint venture partners Descarpack which was completed during the month of July 2011.

### 3. Prospects

The Group's financial performance and prospects are subject to the global demand for gloves, as well as the price of latex and the movement in foreign exchange rates.

The Group completed the commissioning of the first two (2) new production lines at the end of June 2011 and commenced production thereafter. Barring unforeseen circumstances, we expect the commissioning of the next two (2) production lines and to be completed by end September 2011. Barring any unforeseen circumstances, the Group believes it will achieve an acceptable performance in this financial year.

### 4. Profit Forecast and Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in any public document.

### 5. Income Tax Expense

The taxation figures are as follows:

	<b>Current Year Quarter 31-July-2011 RM'000</b>	<b>Current Year To-Date 31-July-2011 RM'000</b>
Current tax	-	(145)

The effective tax rate of the Group for the current quarter under review is lower than 25% due to loss incurred in the year. During this quarter ended 31 July 2011, there is no tax provided due to the loss before taxation incurred for the quarter.





# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 6. Realised and Unrealised Retained Profits of the Group

	Current Year Quarter 31-July-2011 RM'000	Current Year To-date 31-July-2011 RM'000
Total retained profits:		
Realised profits	2,731	16,238
Unrealised (losses)	(434)	(352)
	<u>2,297</u>	<u>15,886</u>

### 7. Sale of Unquoted Investments and/or Properties

Save as disclosed below, there were no sales of unquoted investments and/or properties for the current quarter under review:

The Company had on 17 June 2011 entered into a conditional joint venture agreement with Descarpack through the equity participation in Careglove, whereby 49,999 existing ordinary shares of RM1.00 each in Careglove are to sold to Descarpack.

The joint venture arrangement was approved by the shareholders of the company on 25 July 2011.

### 8. Purchase and or Disposal of Quoted Securities

There was no purchase or disposal of quoted securities for the current quarter under review.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 9. Status of Corporate Proposal

#### (a) Utilisation of proceeds

In conjunction with its listing on the ACE Market of Bursa Malaysia Securities Berhad on 6 December 2010, the Company had raised proceeds of RM14,961,500 from public issue of 65,050,000 new ordinary shares of RM0.10 each at the issue price of RM0.23 per share.

The gross proceeds of RM14.962 million from the public issue of 65,050,000 shares have been fully utilised in the following manner:

Description	Proposed utilisation RM'000	Actual utilisation RM'000	Intended timeframe for utilisation upon listing	Deviation RM'000	%
<b>Capital expenditure</b>					
2 production lines	4,750	4,750	Within three (3) years	-	0%
Other supporting equipment	550	550	Within three (3) years	-	0%
Chilled water supply	500	500	Within three (3) years	-	0%
Compressed air supply	300	300	Within three (3) years	-	0%
Waste water treatment	500	500	Within three (3) years	-	0%
Construction of new factory #	3,500	3,500	Within three (3) years	-	0%
	*10,100	10,100			
Working capital	3,262	^3,122	Within one (1) years	-	0%
Estimated listing expenses	1,700	^1,840	Upon completion of the listing	-	0%
Total	<u>15,062</u>	<u>15,062</u>			

#### **Notes:**

- # Referring to Lot 17479, Jalan Senawang Tiga, Senawang Industrial Estate, 70450 Seremban, Negeri Sembilan Darul Khusus
- \* The remaining balance will be funded through internally-generated funds.
- ^ Listing expenses incurred during the financial period ended 31 January 2011 were higher than initially proposed. The excess was funded from the amount initially set aside for working capital.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 9. Status of Corporate Proposal (cont'd)

#### (a) Utilisation of proceeds (cont'd)

As shown in the table above, out of the total gross proceeds of RM14.962 million raised from the public issue, RM10.00 million has been used to fund the expansion of the new factory located at Lot 17479, Jalan Senawang Tiga, Senawang Industrial Estate, 70450 Seremban, Negeri Sembilan Darul Khusus. However, pursuant to the joint venture arrangement with Descarpack entered into on 17 June 2011 (which was approved by the shareholders of Careplus on 25 July 2011), this new factory will be jointly operated by Careplus and Descarpack through the joint venture company, Careglove. Under the said joint venture arrangement, both Careplus and Descarpack had also agreed to subscribe additional 231,250 shares each, at a total consideration of RM18.50 million each, whereby Careplus is entitled to satisfy its subscription sum by capitalising the amount that the Group had already incurred prior to the joint venture arrangement.

Further details are set out in the Company's circular to shareholders dated 1 July 2011.

#### (b) Private placement

On 28 April 2011, it was announced that the Company proposed to undertake a private placement of up to twenty percent (20%) of the issued and paid-up share capital of the Company, to investors to be identified, which was approved by the shareholders of Careplus via its extraordinary general meeting on 25 July 2011. As of the date of this interim financial report, no placement shares have been placed out.

#### (c) Proposed acquisition of property

On 2 August 2011, Careplus (M), a wholly-owned subsidiary of Careplus had entered into a conditional sale and purchase agreement to acquire a parcel of leasehold land held under PM 71, Lot No. 10577, Pekan Senawang, District of Seremban, Negeri Sembilan Darul Khusus together with the buildings erected thereon for a cash consideration of RM9.50 million for its future expansion. The said transaction is pending the approval of Careplus shareholders.

Save with disclosed above, there were no other corporate proposals announced but not completed at the latest practicable date which is not earlier than seven (7) days from the date of issue of this interim financial report.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 10. Borrowings

The Group's borrowings as at 31 July 2011 are as follows:

	<b>Secured RM'000</b>
<b>Short-term borrowings</b>	
Hire purchase	465
Term loans	57
Export Credit Refinancing (ECR)	2,089
	<u>2,611</u>
<b>Bank overdraft</b>	1,847
<b>Long-term borrowings</b>	
Hire purchase	3,531
Term loans	6,248
	<u>9,779</u>
<b>Total</b>	<u><u>14,237</u></u>

There were no unsecured debts during the current quarter under review.

The Group does not have any foreign borrowings or debt securities as at the date of this report.

### 11. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

### 12. Derivatives Financial Instruments

As at 31 July 2011, the Group's outstanding derivatives were as follows:

<b>Type of Derivatives</b>	<b>Contract/Notional Value RM'000</b>	<b>Fair Value RM'000</b>
Currency forwards		
- Less than 1 year	<u>9,930</u>	<u>322</u>

The Group entered into currency forwards to hedge highly probable forecast transactions denominated in foreign currencies, which are expected to occur in the future. The currency forwards have maturity dates that match the expected occurrence of these transactions.

All derivative financial instruments are executed with creditworthy counter parties with a view to limit the credit risk exposure of the Group.



# CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

## Unaudited Quarterly Financial Report for the 2<sup>nd</sup> Quarter Ended 31 July 2011

### 13. Material Litigation

There were no material litigations involving the Group as at the date of this report.

### 14. Dividend

There was no dividend declared and paid during the current quarter under review.

### 15. Earnings Per Share

#### (a) Basic

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company for the financial period by the weighted average number of ordinary shares in issue during the financial period under review.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-July-2011	Preceding Year Corresponding Quarter 31-July-2010	Current Year To-Date 31-July-2011	Preceding Year Corresponding Period 31-July-2010
Attributable to: Equity holders of the company(RM'000)	2,297	1,802	2,726	2,850
Weighted average number of ordinary shares in issue ('000)	210,000	36,238	210,000	36,238
Basic earnings per share (sen)	1.09	4.97	1.30	7.86

#### (b) Diluted

The Company does not have any convertible shares or convertible financial instruments for the current quarter under review.

### 16. Authorisation for issue

The quarterly unaudited financial statements were authorised for issue by the Board in accordance with a resolution dated 23 September 2011.