



CAREPLUS GROUP BERHAD

(Company No. 896134-D)

(Incorporated in Malaysia under the Companies Act, 1965)

Unaudited Quarterly Financial Report for the 3rd Quarter Ended 31 October 2011

Unaudited Condensed Consolidated Statements of Comprehensive Income

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31-Oct-2011 RM'000	Preceding Year Corresponding Quarter 31-Oct-2010 RM'000	Current Year Quarter 31-Oct-2011 RM'000	Preceding Year Corresponding Quarter 31-Oct-2010 RM'000
Revenue	13,491	12,445	36,458	35,771
Cost of sales	(12,816)	(10,013)	(35,308)	(28,980)
Gross profit	675	2,432	1,150	6,791
Other income	510	71	5,167	464
Administration expenses	(1,182)	(495)	(2,641)	(1,810)
Other expenses	(550)	(1,085)	(1,238)	(2,046)
Finance costs	(155)	(54)	(403)	(145)
Profit/(loss) before taxation	(702)	869	2,035	3,254
Income tax expense	4	(194)	(142)	271
Profit/(loss) for the financial period	(698)	675	1,893	3,525



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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31-Oct -2011 RM'000	Preceding Year Corresponding Quarter 31-Oct-2010 RM'000	Current Year Quarter 31-Oct-2011 RM'000	Preceding Year Corresponding Quarter 31-Oct-2010 RM'000
Attributable to :				
Equity holders of the company	(82)	675	2,644	3,525
Non-controlling Interest	(616)	-	(751)	-
	<u>(698)</u>	<u>675</u>	<u>1,893</u>	<u>3,525</u>
Weighted average number of ordinary shares in issue ('000)	210,000	82,541	210,000	82,541
Earnings per share attributable to equity holders of the Company:				
Basic (sen)	(0.04)	0.82	1.26	4.27
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.



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Unaudited Condensed Consolidated Statements of Financial Position

	UNAUDITED As at 31-Oct-2011 RM'000	AUDITED As at 31-Jan-2011 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	36,795	20,682
Investment property	236	260
Goodwill on consolidation	205	205
	<u>37,236</u>	<u>21,147</u>
Current assets		
Inventories	9,810	5,929
Trade receivables	5,785	6,673
Other receivables, deposits and prepayments	3,953	590
Derivative assets	-	220
Cash and bank balances	6,062	6,501
Amount owing by a related party	-	6
Tax refundable	649	50
	<u>26,259</u>	<u>19,969</u>
TOTAL ASSETS	<u>63,495</u>	<u>41,116</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	21,000	21,000
Share premium	9,107	9,107
Merger deficit	(12,900)	(12,900)
Retained profits	15,804	13,160
Total equity attributable to owners of the company	<u>33,011</u>	<u>30,367</u>
Non-controlling interest	<u>9,299</u>	<u>-</u>
Total Equity	<u>42,310</u>	<u>30,367</u>



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

	UNAUDITED As at 31-Oct-2011 RM'000	AUDITED As at 31-Jan-2011 RM'000
Non-current liabilities		
Long-term borrowings	9,521	5,764
Deferred tax liabilities	158	158
	<u>9,679</u>	<u>5,922</u>
Current liabilities		
Trade payables	7,808	1,898
Other payables and accruals	1,720	1,645
Derivative assets	11	-
Short-term borrowings	1,967	385
Provision for taxation	-	332
Bank overdraft	-	567
	<u>11,506</u>	<u>4,827</u>
Total liabilities	<u>21,185</u>	<u>10,749</u>
TOTAL EQUITY AND LIABILITIES	<u>63,495</u>	<u>41,116</u>
Net assets per share attributable to owners of the Company #	15.7	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.



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Unaudited Quarterly Financial Report for the 3rd Quarter Ended 31 October 2011

Unaudited Condensed Consolidated Statements of Cash Flows

	Current Year To Date 31-Oct-2011 RM'000	Preceding Year Corresponding Period 31-Oct-2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,035	3,254
Adjustments for :		
Depreciation of investment property	24	24
Depreciation of property, plant and equipment	1,221	758
Interest expenses	403	145
Fair value gain on derivatives	230	(95)
Interest income	(47)	(7)
Unrealised loss on foreign exchange	127	192
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	3,993	4,254
Increase in inventories	(3,881)	(1,512)
Increase in trade and other receivables	(2,613)	(2,049)
Increase in trade and other payables	5,996	2,508
Decrease in amount owing by a related party	6	-
Cash from operations	3,501	3,201
Interest paid	(403)	(145)
Income tax paid	(1,073)	(929)
Net cash from operating activities	2,025	2,127
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	47	7
Proceeds from issuance of shares from non-controlling interest	10,050	-
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	(17,333)	(4,355)
Net cash for investing activities	(7,236)	(3,817)



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

	Current Year To Date 31-Oct-2011 RM'000	Preceding Year Corresponding Period 31-Oct-2010 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of export credit refinancing, net	1,445	2,712
Drawdown of term loan	659	1,340
Drawdown of hire purchase	4,097	-
Dividend paid	-	(4,000)
Repayment of hire purchase obligations	(474)	(195)
Repayment of term loans	(388)	(187)
Net cash from financing activities	5,339	(330)
NET INCREASED / (DECREASE) IN CASH AND CASH EQUIVALENTS	128	(2,020)
EFFECTS OF FOREIGN EXCHANGE, NET	-	105
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	5,934	2,595
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	6,062	680
CASH AND CASH EQUIVALENTS COMPRISE		
Fixed deposits	4,300	-
Cash and bank balances	1,762	1,515
Bank overdraft	-	(835)
	6,062	680

Note :

- (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.



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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	-	-	-	-	-	10,050	10,050
Total comprehensive income for the financial period	-	-	-	2,644	2,644	(751)	1,893
Balance at 31/10/2011	21,000	9,107	(12,900)	15,804	33,011	9,299	42,310

Note :

- (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.



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

	← Non-distributable →			← Distributable →	
	Share capital	Share premium	Merger deficit	Retained profits	Total equity
	RM'000	RM'000	RM'000	RM'000	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	-	-	-	3,525	3,525
Balance at 31/10/2010	14,495	1,380	(12,900)	13,674	16,649

Note :

- (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.



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Unaudited Quarterly Financial Report for the 3rd Quarter Ended 31 October 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 Requirements”).

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)



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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:

FRSs and IC Interpretations (including the consequential amendments)	Effective date
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.



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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

	9-month ended 31-Oct-2011				
	Manufacturing	Trading	Others	Eliminations	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	22,620	13,838	-	-	36,458
Inter-segment sales	15,263	-	-	(15,263)	-
Total	<u>37,883</u>	<u>13,838</u>	<u>-</u>	<u>(15,263)</u>	<u>36,458</u>
Results					
Segment results	<u>(1,585)</u>	<u>368</u>	<u>3,608</u>	<u>-</u>	<u>2,391</u>
Interest income					47
Finance costs					<u>(403)</u>
Profit before taxation					2,035
Income tax expense					(142)
Non-controlling interest					<u>751</u>
Profit after taxation					<u><u>2,644</u></u>



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9. Segmental Reporting (Cont'd)

	9-month ended 31-Oct-2010				
	Manufacturing	Trading	Others	Eliminations	Group
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	32,370	3,401	-	-	35,771
Inter-segment sales	22,859	-	-	(22,859)	-
Total	55,229	3,401	-	(22,859)	35,771
Results					
Segment results	3,865	7,811	(702)	(7,582)	3,392
Interest income					7
Finance costs					(145)
Profit before taxation					3,254
Income tax expense					271
Profit after taxation					3,525

Geographical Segments for Revenue

	Current Year	Current Year
	Quarter	To-Date
	31-Oct-2011	31-Oct-2011
	RM'000	RM'000
Local	3,740	7,890
Export	9,751	28,568
	13,491	36,458

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 in the Composition of the Group

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

On 25 July 2011, under the joint venture arrangement which was approved by the shareholders 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.



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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:

	Current Year To-Date 31-Oct-2011 RM'000
Contracted but not provided for	
- Acquisition of new land and building	<u>* 8,550</u>

Note :

* Please refer to item 14(a) below.

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 October 2011 up to the date of this interim financial report which may substantially affect the results of the operations of the Group:

- (a) 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 ("The Acquisition"). The Acquisition was also approved by the shareholders of Careplus on 17 October 2011, whilst the balance sum of RM8.55 million was settled on 16 December 2011. However, the Acquisition is pending completion upon the transfer of the title to Careplus (M).
- (b) In relation to the private placement, the Company had on 2 November 2011 placed out and allotted 10,000,000 new ordinary shares of RM0.10 each at the issue price of RM0.32 per share to identified placees. The gross proceeds of RM3.20 million raised was utilised to part finance the Acquisition.



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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-Oct-2011
RM'000**

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

Sales	182
Quality control and packing services expenses	99
Insurance and renewal of road tax services expenses	18
Construction expenses charged	14

Transactions with directors:
Rental paid

55

- (a) Key management personnel

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

Short-term employee benefits

624

16. Cash and Cash Equivalents

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

Fixed deposits placed with licensed banks	4,300
Cash and bank balances	1,762
	<hr/>
	6,062



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B. ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE LISTING REQUIREMENTS

1. Review of Performance

Individual Quarter	Q3 2011	Q3 2010	Variance	Variance
	RM'000	RM'000	RM'000	%
Revenue	13,491	12,445	1,046	8.4
(Loss) / Profit before taxation ("LBT") / ("PBT")	(702)	869	(1,571)	>(100.0)

Cumulative Quarter	Q3 2011	Q3 2010	Variance	Variance
	RM'000	RM'000	RM'000	%
Revenue	36,458	35,771	687	1.9
PBT / LBT	2,035	3,254	(1,219)	(37.5)

The Group recorded revenue of RM13.5 million and RM36.5 million respectively for the current quarter and for the current year to date, an increase of 8.4% and increase of 1.9% 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 higher average selling price per glove for this year. Overall there is an increase in revenue for the current year to date compared to the corresponding period last year.

The current quarter registered loss before tax of RM0.702 million and profit before tax of RM2.0 million for the current year to date. The lower PBT for the current quarter and year to date was due to the higher overheads and start up costs for our new plant, forex losses and due to the weak USD exchange rates at the beginning of the year.

2. Material Changes to the Results of the preceding quarter

Individual Quarter	Q3 2011	Q2 2011	Variance	Variance
	RM'000	RM'000	RM'000	%
Revenue	13,491	12,407	1,084	8.7
LBT / PBT	(702)	2,162	(2,864)	>(100.0)

The Group recorded total revenue and PBT of approximately RM13.5 million and loss RM0.702 million, respectively for the quarter ended 31 October 2011.

The Group's revenue has increased by approximately RM1.084 million (or 8.7%) as compared to the preceding financial quarter. The increase in revenue was due to higher quantity of gloves sold compared to the preceding quarter, with additional production lines. As mentioned in item B3, the Group had completed the commissioning of two (2) new production lines in June and two (2) in September, and these four (4) new production lines had started contributing to the sales from the month of July and September onwards respectively. However, losses were incurred for the current quarter in view of higher production costs and overheads incurred by the newly set up factory at Lot 17479 Jalan Senawang Tiga, Senawang Industrial Estate, 70450 Seremban, Negeri Sembilan Darul Khusus ("Lot 17479").



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

Despite the increased sales, the Group registered a lower gross profit, 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. Also on a cumulative basis, the Group recorded lower gross profit of approximately RM1.150 million for the nine (9)-month period ended 31 October 2011.

In terms of PBT, the Group registered a PBT of approximately RM2.162 million for the preceding financial quarter, as opposed to a loss before taxation of RM0.702 million. The PBT for the preceding financial quarter was contributed entirely by the exceptional income recognised 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 in 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 has recently completed the commissioning of all the four (4) new production lines. Out of four (4) new lines, sales from the first two (2) lines commenced in July 2011 and the other two (2) lines commenced in September 2011. Barring unforeseen circumstances, with the increased production capacity, the Group expects to achieve acceptable performance in the current 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:

	Current Year Quarter 31-Oct-2011 RM'000	Current Year To-Date 31-Oct-2011 RM'000
Current tax	4	(142)

The effective tax rate of the Group for the current quarter under review is lower than 25% due to losses incurred during the quarter. For the current year to date, the effective tax rate is lower than 25% as the bulk of profit for that period was contributed by the disposal of equity interest in Careglove which is a capital gain and not subject to tax.



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6. Realised and Unrealised Retained Profits of the Group

	Current Year Quarter 31-Oct-2011 RM'000	Current Year To-date 31-Oct-2011 RM'000
Total retained profits:		
Realised (losses) / profits	(685)	15,227
Unrealised (loss) / profit	(13)	577
	<u>(698)</u>	<u>15,804</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 were sold to Descarpack ("The Disposal"). The joint venture arrangement was approved by the shareholders of the Company on 25 July 2011.

The amount of profits realised on The Disposal was approximately RM3.95 million.

8. Purchase and or Disposal of Quoted Securities

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



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9. Status of Corporate Proposal

(a) 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 ("Private Placement"), which was approved by Bursa Securities and the shareholders of Careplus via its extraordinary general meeting on 13 May 2011 and 25 July 2011, respectively.

Bursa Securities had vide its letter dated 25 October 2011, approved an extension of time of up to six (6) months from 13 November 2011 to 12 May 2012 for the Company to implement the Private Placement.

Careplus had on 2 November 2011 placed out its first tranche of the Private Placement consisting of 10,000,000 ordinary shares of RM0.10 each at the issue price of RM0.32 ("Placement Shares"). The Placement Shares were listed on Bursa Securities on 8 November 2011. The gross proceeds of RM3.20 million from the Private Placement was utilised to part-finance the Acquisition, which was consistent with the approval granted from its shareholders on 15 July 2011.

(b) 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, which was approved by the shareholders of Careplus via its extraordinary general meeting on 17 October 2011.

On 16 December 2011, Careplus has fully settled the purchase consideration of RM9.50 million for The Acquisition. However, The Acquisition is pending completion upon the transfer of the title to Careplus (M).

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

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10. Borrowings

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

	Secured RM'000
Short-term borrowings	
Hire purchase	465
Term loans	57
Export Credit Refinancing (ECR)	1,445
	<u>1,967</u>
Bank overdraft	-
Long-term borrowings	
Hire purchase	3,363
Term loans	6,158
	<u>9,521</u>
Total	<u>11,488</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 October 2011, the Group's outstanding derivatives were as follows:

Type of Derivatives	Contract/Notional Value RM'000	Fair Value RM'000
Currency forwards		
- Less than 1 year	<u>6,185</u>	<u>(11)</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.



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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	Preceding	Current Year	Preceding
	Quarter	Year	To-Date	Year
	31-Oct-2011	31-Oct-2010	31-Oct-2011	31-Oct-2010
Profit / (loss) for the financial period				
Attributable to: Equity holders of the company(RM'000)	(82)	675	2,644	3,525
Weighted average number of ordinary shares in issue ('000)	210,000	82,541	210,000	82,541
Basic earnings per share (sen)	(0.04)	0.82	1.26	4.27

(b) Diluted

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

The diluted earnings per share for the Group was not presented as the assumed conversion from the exercise of the warrants would be anti-dilutive.

16. Authorisation for issue

The quarterly unaudited financial statements were authorised for issue by the Board in accordance with a resolution dated 16 December 2011.