



FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER ENDED 30 JUNE 2014

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) Unaudited Group Income Statement for the second quarter ended 30 June 2014.

GROUP	Second Quarter			Year-To-Date		
	Q2 2014 S\$'000	Q2 2013 S\$'000	Increase/ (Decrease) %	30/6/2014 S\$'000	30/6/2013 S\$'000	Increase/ (Decrease) %
Revenue	13,657	14,275	(4)	27,591	27,992	(1)
<u>Other items of income</u>						
Interest income	30	28	7	61	58	5
Other income	1,720	67	N.M.	4,065	214	N.M.
<u>Items of expense</u>						
Financial expense	-	(70)	N.M.	(8)	(136)	(94)
Purchases and changes in inventories of consumables and medical supplies	(2,473)	(2,440)	1	(4,846)	(4,597)	5
Employee benefits expense	(7,802)	(8,956)	(13)	(16,105)	(17,380)	(7)
Depreciation and amortisation	(929)	(1,028)	(10)	(1,810)	(2,060)	(12)
Rental expense	(2,112)	(2,114)	-	(4,334)	(4,208)	3
Other expenses	(1,926)	(1,929)	-	(3,743)	(4,283)	(13)
Share of results of associates	394	17	N.M.	518	36	N.M.
Profit/ (Loss) before tax	559	(2,150)	126	1,389	(4,364)	132
Income tax	-	-		-	102	N.M.
Profit/ (Loss) for the period	559	(2,150)	126	1,389	(4,262)	133
Attributable to:						
Owners of the Company	846	(1,685)	150	1,945	(3,387)	157
Non-controlling interests	(287)	(465)	38	(556)	(875)	36
Profit/ (Loss) for the period	559	(2,150)	126	1,389	(4,262)	133

NM: Not Meaningful

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd).

Statement of Comprehensive Expense	Second Quarter			Year to date		
	Q2 2014 S\$'000	Q2 2013 S\$'000	Increase/ (Decrease) %	30/6/2014 S\$'000	30/6/2013 S\$'000	Increase/ (Decrease) %
Profit/(Loss) for the period	559	(2,150)	126	1,389	(4,262)	133
<u>Other comprehensive income/ (expense)</u>						
Translation differences relating to financial statements of foreign subsidiaries	2,576	40	N.M.	2,721	73	N.M.
Total comprehensive income/ (expense) for the period	3,135	(2,110)	249	4,110	(4,189)	198
Total comprehensive income/ (expense) attributable to:						
Owners of the parent	1,608	(1,663)	197	2,973	(3,343)	189
Non-controlling interests	1,527	(447)	442	1,137	(846)	234
Total comprehensive income/ (expense) for the period	3,135	(2,110)	249	4,110	(4,189)	198

1(a)(ii)

GROUP	Second Quarter		Year-To-Date	
	Q2 2014 S\$'000	Q2 2013 S\$'000	30/06/2014 S\$'000	30/06/2013 S\$'000
<u>Other income:</u>				
Other income	1,720	67	4,065	214
	1,720	67	4,065	214
<u>Financial expense:</u>				
Interest expense:				
- Bank loans	-	38	7	94
- Obligations under finance leases	-	29	-	39
- Others	-	3	1	3
Total financial expense	-	70	8	136
<u>Depreciation and amortisation:</u>				
Depreciation of property, plant and equipment	929	1,028	1,810	2,060
	929	1,028	1,810	2,060

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd)

1(a)(iii) Additional disclosures

	Second Quarter			Year-To-Date		
	Q2 2014	Q2 2013	Increase/ (Decrease)	30/06/2014	30/06/2013	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest income	30	28	7	61	58	5
Interest expense	-	(70)	N.M.	(8)	(136)	(94)
Gain/(Loss) on disposal of property, plant and equipment	(1)	(108)	(99)	(1)	(108)	(99)
Gain/(Loss) on disposal of subsidiary	1,621	-	N.M.	1,621	-	N.M.
Provision for/(Reversal of) of allowance for doubtful debts	(61)	17	(459)	(109)	139	(178)
Bad debts written off	(118)	(1)	N.M.	(119)	(4)	N.M.
Depreciation and amortisation	(929)	(1,028)	(10)	(1,810)	(2,060)	(12)
Impairment of goodwill	-	(10)	N.M.	-	(623)	N.M.
Foreign exchange gain/(loss) (net)	(3)	(7)	(57)	(3)	8	(137)

N.M. Not meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30/06/2014	31/12/2013	30/06/2014	31/12/2013
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets:				
Cash and bank	2,106	4,149	157	1,063
Trade and other receivables	5,121	5,332	14,694	11,312
Other assets	1,226	1,276	334	329
Inventories	1,456	2,170	-	-
	9,909	12,927	15,185	12,704
Non-current assets:				
Investments in subsidiaries	-	-	2,483	5,407
Investments in associates	1,564	2,626	1,564	-
Other investments	-	180	-	360
Property, plant and equipment	9,089	11,301	2,107	2,354
Other assets	1,713	1,950	-	-
	12,366	16,057	6,154	8,121
TOTAL ASSETS	22,275	28,984	21,339	20,825
EQUITY AND LIABILITIES				
Current liabilities:				
Trade and other payables	14,066	18,818	9,213	14,887
Other liabilities	1,266	6,862	347	336
Income tax payable	-	34	-	-
Current portion of borrowings	-	435	-	400
Current portion of finance leases	167	186	-	-
	15,499	26,335	9,560	15,623
Non-current liabilities:				
Deferred tax liabilities	63	81	-	-
Provisions	1,337	1,245	699	699
Other payables	800	800	-	-
Borrowings	-	-	-	-
Finance leases	-	57	-	-
	2,200	2,183	699	699
TOTAL LIABILITIES	17,699	28,518	10,259	16,322
Equity attributable to owners of the Company:				
Share capital	62,615	62,615	62,615	62,615
Retained earnings	(55,803)	(57,749)	(51,535)	(58,112)
Reserve	(16)	(1,044)	-	-
	6,796	3,822	11,080	4,503
Non-controlling interests	(2,220)	(3,356)	-	-
TOTAL EQUITY	4,576	466	11,080	4,503
TOTAL EQUITY AND LIABILITIES	22,275	28,984	21,339	20,825

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30/06/2014		As at 31/12/2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
167	-	621	-

Amount repayable after one year

As at 30/06/2014		As at 31/12/2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	57	-

Details of any collateral

As at 30 June 2014, the secured Group borrowings refer to

- assets acquired under finance leases.
- term loans are secured by way of the following :
 - negative pledge over the Company's assets
 - joint and several guarantees from certain directors of the Company
 - fixed charge over the plant and equipment of a subsidiary
 - corporate guarantee by the Company

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	Q2 2014	Q2 2013
	S\$'000	S\$'000
Cash flows from operating activities:		
Profit (Loss) before tax	559	(2,150)
Adjustments for:		
Depreciation expense	929	1,028
Interest income	(30)	(28)
Interest expense	-	70
Fair value adjustment on financial assets and financial liabilities	6	6
Bad trade receivables written off	118	1
Goodwill impairment	-	10
(Reversal of)/Provision for doubtful debts	61	(17)
Impairment loss on other investment	50	-
Share of results of associates	(394)	(16)
Loss on disposal of property, plant and equipment	(1)	108
Fixed asset written off	10	-
Gain on disposal of subsidiary	(1,621)	-
Gain on disposal of associate	-	-
Realised exchange (gain)/loss, net	(1,077)	-
Unrealised exchange (gain)/loss, net	3	7
Operating cash flows before changes in working capital	(1,387)	(981)
Cash restricted in use	-	-
Trade and other receivables	558	748
Inventories	21	(293)
Trade and other payables	(614)	(1,521)
Cash flows from operations	(1,422)	(2,047)
Income tax refund/ (paid)	(45)	1
Net cash flows used in operating activities	(1,467)	(2,046)
Cash flow from investing activities:		
Disposal of subsidiary net of cash disposed	330	-
Purchase of property, plant and equipment	(152)	(374)
Proceed from disposal of property, plant and equipment	1	4
Dividend income from associates	170	-
Investment in associates	(240)	-
Interest received	-	-
Net cash flows from (used in) investing activities	109	(370)

GROUP	Q2 2014	Q2 2013
	S\$'000	S\$'000
Cash flow from financing activities:		
Repayment of borrowings	-	(1,327)
Issue of shares	-	4,195
Repayment of obligation under finance leases	(47)	(72)
Capital contribution from non-controlling interests of subsidiary	13	-
Interest paid	-	(70)
Net cash flows from (used in) financing activities	(34)	2,726
Net decrease in cash and cash equivalents	(1,392)	310
Effect of exchange rate changes on cash and cash equivalents	(2)	3
Cash and cash equivalents at beginning of period	3,500	3,769
Cash and cash equivalents at end of period	2,106	4,082
Cash as disclosed in balance sheet	2,106	4,082
Less: Cash restricted in use	-	-
Cash and cash equivalents at end of period	2,106	4,082

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP	Equity, total	Attributable to owners of the parent							Non-controlling interests
		Attributable to owners of the parent, total	Share capital	Retained earnings	Other reserves, total	Other reserves			
						Foreign currency translation reserve	Fair value adjustment reserve	Premium paid on acquisition of non-controlling interests	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Opening balance at 1 April 2014	1,441	5,188	62,615	(56,649)	(778)	(736)	5	(47)	(3,747)
Profit for the period	559	846	-	846					(287)
Other comprehensive income for the period	2,576	762	-	-	762	767	(5)	-	1,814
Total comprehensive expense for the period	3,135	1,608		846	762	767	(5)	-	1,527
Closing balance at 30 June 2014	4,576	6,796	62,615	(55,803)	(16)	31	-	(47)	(2,220)
Opening balance at 1 April 2013	2,836	3,165	53,093	(49,244)	(684)	(867)	230	(47)	(329)
Loss for the period	(2,150)	(1,685)		(1,685)					(465)
Other comprehensive income for the period	40	22			22	22	-		18
Total comprehensive expense for the period	(2,110)	(1,663)	-	(1,685)	22	22	-	-	(447)
Placement during the period	4,195	4,195	4,195						
Closing balance at 30 June 2013	4,921	5,697	57,288	(50,929)	(662)	(845)	230	(47)	(776)

COMPANY	Equity, Total	Share Capital	Retained eaming
	S\$'000	S\$'000	S\$'000
Opening balance at 1 April 2014, as restated	6,493	62,615	(56,122)
Profit for the period	4,587	-	4,587
Total comprehensive income for the period	4,587	-	4,587
Closing balance at 30 June 2014	11,080	62,615	(51,535)
Opening balance at 1 April 2013, as restated	1,699	53,093	(51,394)
Loss for the period	(364)		(364)
Total comprehensive income for the period	(364)		(364)
Placement during the period	4,195	4,195	
Closing balance at 30 June 2013	5,530	57,288	(51,758)

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	2014		2013	
	Number of Ordinary Shares	Share Capital S\$'000	Number of Ordinary Shares	Share Capital S\$'000
As at 1 April	573,742,933	62,615	407,994,347	53,093
Placement of ordinary shares			51,000,000	4,195
As at 30 June	573,742,933	62,615	458,994,347	57,288

At the end of the reporting period, there were no outstanding share options.

The Company did not have any treasury shares as at 30 June 2014 and 30 June 2013.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	30/06/2014	31/12/2013
Number of issued shares excluding treasury shares	573,742,933	573,742,933

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 30 June 2014 (31 December 2013: Nil) as the Company did not have any treasury shares as at 30 June 2014 and 31 December 2013.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The financial statement on consolidated results for the second quarter ended 30 June 2014 have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Accounting policies and methods of computation used in the consolidated financial statements for the second quarter ended 30 June 2014 are consistent with those applied in the financial statements for the year ended 31 December 2013.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Second Quarter		Year-To-Date	
	Q2 2014	Q2 2013	30/06/2014	30/06/2013
Loss/earnings per ordinary share of the group, after deducting any provision for preference dividends:				
(i) Basic earnings per share	0.14 cents	-0.38 cents	0.34 cents	-0.76 cents
(ii) On a fully diluted basis	0.14 cents	-0.38 cents	0.34 cents	-0.76 cents

The basic and fully diluted loss/earnings per share for the quarter and half year ended 30 June 2014 were calculated based on the net profit attributable to owners of the parent company of S\$846,000 (Q2 2013: loss of \$1,685,000) and S\$1,945,000 (Year-To-Date 2013: loss of \$3,387,000) divided by the weighted average number of ordinary shares 573,742,933 (Q2 2013: 443,345,032).

The diluted earnings per share is the same as the basic earnings per share as there were no diluted common share equivalents outstanding during the relevant period.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
(a) **current financial period reported on; and**
(b) **immediately preceding financial year.**

	Group		Company	
	30/06/2014	31/12/2013	30/06/2014	31/12/2013
Net asset value per ordinary share	0.80 cents	0.08 cents	1.93 cents	0.78 cents

The net asset value per ordinary share of the Group has been calculated based on the shareholders' equity of **S\$4,576,000** (31 December 2013: S\$466,000) and the share capital of 573,742,933 ordinary shares (31 December 2013: 573,742,933 ordinary shares).

The net asset value per ordinary share of the Company has been calculated based on the shareholders' equity of **S\$11,080,000** (31 December 2013: S\$4,503,000) and the share capital of 573,742,933 ordinary shares (31 December 2011: 573,742,933 ordinary shares).

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Revenue for the quarter ended 30 June 2014 ("Q2 2014") declined by 4% from S\$14.3m to S\$13.7m when compared to the corresponding period of last year ("Q2 2013).

The total expenses reduced by S\$1.2m for Q2 2014 vs Q2 2013. Operating expenses were lower in Q2 2014. The reduction in operating expenses was mainly due to employee benefit declining by 13% from S\$8.9 to S\$7.8m, and depreciation expenses falling by 10% from S\$1.0m to S\$0.9m.

PHH made a gain on disposal of S\$1.2m from the sale of its China business.

For Q2 2014, the group incurred a profit attribute to the shareholders of S\$0.8m as compare to loss of S\$1.7m in Q2 2013.

As at 30 June 2014, the Group's cash and bank balance decreased by S\$2m from S\$4.1m as at 31 December 2013 to S\$2.1m mainly due to repayment of borrowings and investment in nursing homes.

- 9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The Group did not issue any forecast or a prospect statement.

- 10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group continues to rationalize operations both locally and overseas. For example, PHH has expanded its interest in the eldercare segment in Singapore and sold the loss making China operation. The Group will continue to restructure its business units, manage cost and focus on its core competencies.

11. Dividend

(a) Current Financial Period Reported On

Any interim (final) dividend declared (recommended) for the current financial period reported on? **No**

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? **No**

(c) Date payable

Not Applicable.

(d) Books closure date

Not Applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the quarter ended 30 Jun 2014.

13. It the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1) (a) (ii) . If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii)

14. Confirmation pursuant to Rule 705 (5) of the Listing Manual

The Board of Directors hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Group and of the Company to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

**Mr. Wong Yee Kong (Andrew)
Chief Executive Officer
5 August 2014**