

CAMSING HEALTHCARE LTD
 FORMERLY KNOWN AS JACKS INTERNATIONAL LTD
 (Company Registration No. 197903888Z)
 (Incorporated in the Republic of Singapore)

ANNOUNCEMENT OF RESULTS
 FOR THE FULL YEAR ENDED 31ST JANUARY 2018

Part I Information required for announcements of quarterly (Q1, Q2 & Q3), Half year and Full year results

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

	Unaudited Financial Year Ended 31.01.18	Audited Financial Year Ended 31.01.17	Change % +/-
Note	S\$'000	S\$'000	
Revenue	14,912	18,235	-18
Cost of sales	<u>(6,311)</u>	<u>(8,982)</u>	-30
Gross profit	8,601	9,253	-7
Other items of income			
Interest income	29	27	7
Other income and gains	470	1,172	-60
Other items of expense			
Marketing and distribution costs	(6,636)	(7,756)	-14
Administration and other operating expenses	(2,286)	(2,401)	-5
Finance costs	<u>(56)</u>	<u>(131)</u>	-57
Profit before tax	122	164	-26
Income tax expense	(ii) <u>(115)</u>	<u>(3)</u>	3733
Profit for year	7	161	-96
Other comprehensive income:			
Foreign currency translation	26	44	-41
Deferred tax liability arising from revaluation of leasehold property	(30)	(5)	500
Revaluation of leasehold property	178	28	536
Reclassification to profit or loss from equity on disposal of available-for-sale investments	-	25	N.M
Other comprehensive income for the year, net of tax	174	92	89
Total comprehensive income for the year	<u>181</u>	<u>253</u>	-28
Profit attributable to:			
Owners of the Company	53	161	-67
Non-controlling interest	<u>(46)</u>	<u>-</u>	N.M
	7	161	-96
Total comprehensive income attributable to:			
Owners of the Company	227	253	-10
Non-controlling interest	<u>(46)</u>	<u>-</u>	N.M
	<u>181</u>	<u>253</u>	-28

N.M. : Not Meaningful

1(a)

	Group		
	Unaudited Financial Year Ended 31.01.18 S\$'000	Audited Financial Year Ended 31.01.17 S\$'000	Change % +/-

Note:

(i) **Profit before tax is arrived after charging/(crediting):**

Depreciation of property, plant & equipment	413	349	18
Impairment loss on property, plant and equipment	67	66	N.M
Loss on disposal of property, plant and equipment	191	-	
Allowance for/(Reversal of) inventory obsolescence	17	(16)	N.M
Inventories written off	14	114	-88
Interest expense	56	131	-57
Interest income	(29)	(27)	7
Management fee charged to a related company	-	(180)	N.M
License fee	(414)	(852)	-51

(ii) **Income tax expense**

Income tax expense calculated at 17% (2017 : 17%)	21	28	-26
Effect of different tax rates of subsidiaries operating in other jurisdictions	(24)	(8)	200
Adjustments:			
Non-deductible expenses	99	1	9800
Income not subject to taxation	-	(30)	N.M
Effect of unused tax losses not recognised as deferred tax assets	25	(13)	N.M
Overprovision in respect of prior years	-	(34)	N.M
Others	(6)	59	-110
	<u>115</u>	<u>3</u>	3725

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 period of the immediately preceding financial year

	Group		Company	
	Unaudited As at 31.01.18 S\$'000	Audited As at 31.01.17 S\$'000	Unaudited As at 31.01.18 S\$'000	Audited As at 31.01.17 S\$'000
Assets				
Non-current assets				
Property, plant and equipment	2,465	2,138	-	-
Investment in subsidiary companies	-	-	13,366	18,216
Other receivables	442	672	-	-
Deferred tax assets	117	209	-	-
	<u>3,024</u>	<u>3,019</u>	<u>13,366</u>	<u>18,216</u>
Current assets				
Inventories	3,198	3,553	-	-
Trade receivables	2,791	2,926	-	-
Other receivables	1,088	494	203	457
Prepaid operating expenses	573	413	-	-
Cash and cash equivalents	5,094	5,784	3,420	3,373
	<u>12,744</u>	<u>13,170</u>	<u>3,623</u>	<u>3,830</u>
Total assets	<u>15,768</u>	<u>16,189</u>	<u>16,989</u>	<u>22,046</u>
Equity and liabilities				
Current liabilities				
Trade payables	253	310	-	-
Other payables	517	433	8,240	8,235
Loans and borrowings	3,416	4,216	-	-
Provisions	279	145	-	-
	<u>4,465</u>	<u>5,104</u>	<u>8,240</u>	<u>8,235</u>
Net current assets / (liabilities)	<u>8,279</u>	<u>8,066</u>	<u>(4,617)</u>	<u>(4,405)</u>
Non-current liabilities				
Loans and borrowings	25	41	-	-
Deferred tax liabilities	231	178	-	-
	<u>256</u>	<u>219</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>4,721</u>	<u>5,323</u>	<u>8,240</u>	<u>8,235</u>
Net assets	<u>11,047</u>	<u>10,866</u>	<u>8,749</u>	<u>13,811</u>
Share capital, reserves and non-controlling interest				
Share capital	14,250	14,250	14,250	14,250
Reserves	(3,157)	(3,384)	(5,501)	(439)
Equity attributable to owners of the Company	<u>11,093</u>	<u>10,866</u>	<u>8,749</u>	<u>13,811</u>
Non-controlling interests	(46)	-	-	-
Total equity	<u>11,047</u>	<u>10,866</u>	<u>8,749</u>	<u>13,811</u>
Total equity and liabilities	<u>15,768</u>	<u>16,189</u>	<u>16,989</u>	<u>22,046</u>

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

(a) Amount repayable in one year or less, or on demand

	As at 31.01.18		As at 31.01.17	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Short-term borrowings	3,400	-	4,200	-
Finance lease liabilities	16	-	16	-
	3,416	-	4,216	-

(b) Amount repayable after one year

	As at 31.01.18		As at 31.01.17	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Finance lease liabilities	25	-	41	-

(c) Details of any collateral

Short-term borrowings are secured by:

- (i) Legal mortgage over subsidiary's leasehold property;
- (ii) Corporate guarantee given by the Company; and
- (iii) Standby Letter of Credit issued by United Overseas Bank (China) Ltd that is supported by a related company, Guang Zhou Camsing Limited Company.

Finance lease liabilities are secured by the lessors' title to the leased assets.

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

	Group	
	Unaudited Financial Year Ended 31.01.18 S\$'000	Audited Financial Year Ended 31.01.17 S\$'000
Operating activities:		
Profit before tax	122	164
	122	164
Adjustments for:		
Depreciation of property, plant and equipment	413	349
Impairment loss on property, plant and equipment	67	66
Loss on disposal of property, plant and equipment	191	-
Allowance for/(Reversal of) inventory obsolescence	17	(16)
Inventories written off	14	114
Interest expense	56	131
Interest income	(29)	(27)
Loss on disposal of investment securities	-	25
Foreign exchange differences	26	44
	877	850
Operating cash flows before changes in working capital		
Increase in trade and other receivables	(389)	(2,908)
Decrease in inventories	324	3,105
Increase/(Decrease) in trade and other payables	27	(212)
Increase/(Decrease) in provision	134	(29)
	973	806
Cash flows from operations		
Interest income received	29	27
Interest paid	(56)	(131)
Income taxes paid	-	12
	946	714
Net cash flows from operating activities		
Investing activities:		
Purchase of property, plant and equipment	(821)	(389)
Proceeds from disposal of property, plant and equipment	1	-
Proceeds from disposal of investment securities	-	519
	(820)	130
Net cash flows (used in)/from investing activities		
Financing activities:		
Proceeds from interest-bearing loans and borrowings	-	4,200
Repayment of interest-bearing loans and borrowings	(800)	(838)
Repayment of finance lease obligations	(16)	(16)
Decrease in fixed deposits pledged with financial institution	-	3,400
	(816)	6,746
Net cash flows (used in)/from financing activities		
Net (decrease)/increase in cash and cash equivalents	(690)	7,590
Cash and cash equivalents/(Overdrawn) at beginning of year	5,784	(1,806)
	5,094	5,784
Cash and cash equivalents at end of financial year (Note A)		

Note A:

Cash and Cash Equivalents

	Group	
	31.01.18 Unaudited S\$'000	31.01.17 Audited S\$'000
Cash and bank balances	2,467	3,184
Short-term deposit	2,627	2,600
	5,094	5,784
Cash and cash equivalents		

1(e)(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	Share capital S\$'000	Foreign currency translation reserve S\$'000	Retained earnings/ (Accumulated Loss) S\$'000	Others reserves S\$'000	Equity attributable to owners of the Company S\$'000	Non- controlling interest S\$'000	Total Equity S\$'000
Balance at 1 February 2016	14,250	(3,994)	(114)	471	10,613	-	10,613
Profit for the year	-	-	161	-	161	-	161
Other comprehensive income for the year	-	44	-	48	92	-	92
Total comprehensive income for the year	-	44	161	48	253	-	253
Balance at 31 January 2017	14,250	(3,950)	47	519	10,866	-	10,866
Balance at 1 February 2017	14,250	(3,950)	47	519	10,866	-	10,866
Profit for the year	-	-	53	-	53	(46)	7
Other comprehensive profit for the year	-	26	-	148	174	-	174
Total comprehensive income for the year	-	26	53	148	227	(46)	181
Balance at 31 January 2018	14,250	(3,924)	100	667	11,093	(46)	11,047

Company	Share capital S\$'000	Accumulated losses S\$'000	Fair Value reserve S\$'000	Total S\$'000
Balance at 1 February 2016	14,250	(91)	(25)	14,134
Loss for the year	-	(348)	-	(348)
Other comprehensive loss for the year	-	-	25	25
Total comprehensive loss for the year	-	(348)	25	(323)
Balance at 31 January 2017	14,250	(439)	-	13,811
Balance at 1 February 2017	14,250	(439)	-	13,811
Loss for the year, representing total comprehensive loss for the year	-	(5,062)	-	(5,062)
Balance at 31 January 2018	14,250	(5,501)	-	8,749

1(f)(g) 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 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.

Not applicable.

1(h)(a) 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.

	As at 31.01.18	As at 31.01.17
Total number of shares	29,999,993	29,999,993

1(h)(b) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company does not have any treasury shares.

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

The figures have not been audited nor reviewed by the auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 January 2017 except for the adoption of new/revised Financial Reporting Standards (FRS) and INT FRS that are mandatory for financial years beginning on or after 1 February 2017. The adoption of these new/revised FRS and INT FRS does not result in significant changes to the Group's accounting policies and has no material effects on the amounts reported.

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

Not applicable

- 6 Earnings/(loss) per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group	
	Financial Year ended 31.01.18	Financial Year ended 31.01.17
Earnings per share (in SGD cents)		
- Basic ⁽¹⁾		
From continuing operations	0.18	0.54
From discontinued operations	Nil	Nil
- Fully diluted ⁽²⁾		
From continuing operations	0.18	0.54
From discontinued operations	Nil	Nil

⁽¹⁾ Basic earnings per share ("EPS") is calculated on the Group's profit for the period divided by the weighted average number of ordinary shares in issue during the reporting period of 29,999,993 shares (2017 : 29,999,993 shares).

⁽²⁾ Group fully diluted earnings per share is the same as Group basic earnings per share because there is no potential dilutive shares as at 31 January 2018 and 31 January 2017, attributable to owners of the Company respectively.

- 7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) currently period reported on and (b) immediately preceding financial year

	Group		Company	
	As at 31.01.18 Cents	As at 31.01.17 Cents	As at 31.01.18 Cents	As at 31.01.17 Cents
Net assets backing per ordinary share based on existing issued share capital as at the end of the period	36.98	36.22	29.16	46.04

Net asset value per ordinary share was based on 29,999,993 (2017 : 29,999,993) ordinary shares outstanding as at end of the reporting period.

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

A) Group Performance Review

Revenue

The Group reported a \$3.3 million or 18% decrease in revenue from \$18.2 million to \$14.9 million in FY2018. The foreign wholesale trade to China market recorded a \$2.2 million or 37% decrease in revenue from \$6.0 million to \$3.8 million, mainly due to decrease in purchase orders from the distributors in China

Other income

Other income decreased \$0.7 million or 60% from \$1.2 million to \$0.5 million in FY2018. The decrease was mainly due to:

- (i) a decrease of \$0.4 million in license fee derived from the distributors in China.
- (ii) a decrease of \$0.2 million in management fee charged to a related company.

Marketing and distribution costs

Marketing and distribution costs decreased by \$1.2 million or 14% from \$7.8 million to \$6.6 million in FY 2018. The decrease was attributable to the closure of the Group's unprofitable retail outlets.

Finance costs

Finance costs decreased by \$75,000 or 57% from \$131,000 to \$56,000 in FY2018, due to lower interest rates and loan balance.

Profit before tax

Profit before tax decreased \$42,000 or 26% from \$164,000 to \$122,000, mainly due to the decrease in revenue.

Loss attributable to non-controlling interest

Loss attributable to non-controlling interest of \$46,000 represents the share of loss after tax recorded by a non-wholly owned subsidiary of the Group.

Profit attributable to owners of the Company

The Group reported a profit attributable to owners of the the Company of \$53,000 in FY2018, compared to \$161,000 in FY2017.

8 B) Group Statement of Financial Position Review

Property, plant and equipment

The carrying amount of property, plant and equipment increased by 15% from \$2.1 million to \$2.5 million as at 31 January 2018 due to the purchase of furniture, fitting and equipment during the year. It was partially offset by impairment loss on property, plant and equipment and depreciation charges during the year.

Other receivables

Other receivables increased \$0.6 million from \$0.5 million to \$1.1 million as at 31 January 2018, mainly due to the increase in advance payment to suppliers for the purchase of property, plant and equipment.

Inventories

Inventories decreased by 10% from \$3.6 million to \$3.2 million as at 31 January 2018, mainly due to lower purchase during the year.

Cash and cash equivalents

Cash and cash equivalents decreased by 12% from \$5.8 million to \$5.1 million as at 31 January 2018, mainly due to repayment of bank borrowings during the year.

Loans and borrowings

Bank borrowings decreased by 19% from \$4.2 million to \$3.4 million as at 31 January 2018, mainly due to repayment of bank borrowings during the year.

During the financial year ended 31 January 2017, the Group obtained a Money Market Loan banking facility of \$4,600,000 where the Group can draw short-term loans that are renewable every three to six months. The banking facility had been revised to \$4,000,000 with effect from 9 March 2018.

For the year ended 31 January 2018, the Group did not fulfil the minimum consolidated Tangible Net Worth as required in the banking facility contract, of which the Group has currently drawn an amount of \$2.2 million. The Group had obtained a letter from the bank stating the bank is accommodating the breach for this financial year. However, due to this breach of the covenant clause, the bank is contractually entitled to request for immediate repayment of the outstanding loan amount of \$2.2 million.

As at the date of this announcement, the bank had not requested early repayment of the loan or indicated any intention to terminate this banking facility. On 1 March 2018, the Group had successfully renewed loan amount of \$2.2 million to a later date. The management is in the process of renegotiating the terms of the banking facility contract with the bank and expects to complete the process by June 2018.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, the issuer must explain any variance between the forecast or prospect statement and the actual results

Not applicable.

10 Commentary at the date of the announcement of the 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's business consists of distribution of health foods and supplements in Singapore and China.

The group will continue to source and expand its range of health foods and supplement products and will continue its' expansion efforts in the Asia markets.

While the global economic outlook remains increasingly unpredictable, we remains confident in the prospects for the group and our ability to generate further sustainable value. The group will continue to perservere and intensify its efforts in optimizing its business operations.

11 Dividend

(a) Current Financial Period Reported On

Any dividend 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

Not applicable.

13 Interested Person Transactions

The Group appointed Harry Elias Partnership LLP, a firm in which our non-Executive Director Mr Ong Wei Jin is a partner, to provide the following services to the Company:

- Company secretary services for period of Dec 16 to Nov 17: Fee: \$26,500
- Legal retainer services for period of May 17 to April 18: Fee: \$6,000

PART II - Additional information required for full year announcement
(This is not applicable to Q1, Q2,Q3 or Half-year results)

14 Segmental revenue and results for business or geographical segments (of the group) in the form presented in the audited financial statements, with comparative information for the immediately preceding year

i) Business Segments	Health Food Trade		Corporate		Consolidated	
	31.01.18 S\$'000	31.01.17 S\$'000	31.01.18 S\$'000	31.01.17 S\$'000	31.01.18 S\$'000	31.01.17 S\$'000
Revenue :						
External customers	14,912	18,235	-	-	14,912	18,235
Results :						
Interest income	-	-	29	27	29	27
Management fee	-	-	-	180	-	180
Depreciation and amortisation	413	415	-	-	413	415
Impairment loss	67	66	-	-	67	66
Other non-cash expenses	57	32	-	-	57	32
Profit/(Loss) before tax	367	288	(245)	(124)	122	164
Assets:						
Additions to non-current assets	821	389	-	-	821	389
Segment assets	12,231	12,761	3,537	3,428	15,768	16,189
Segment liabilities	4,490	5,242	231	81	4,721	5,323
Geographical Segments						
	Revenue		Non-current assets			
	31.01.18	31.01.17	31.01.18	31.01.17	31.01.18	31.01.17
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	11,113	12,221	2,763	2,665	2,763	2,665
Malaysia	-	39	-	-	-	-
China	3,799	5,975	144	145	144	145
	14,912	18,235	2,907	2,810	2,907	2,810

15 A breakdown of sales

	Group		Change
	Unaudited Financial Year Ended Unaudited S\$'000	Audited Financial Year Ended Audited S\$'000	% +/-
(a) Sales reported for first half year	6,655	6,621	1
(b) (Loss) before tax reported for first half year	(423)	(2,237)	-81
(c) Sales reported for second half year	8,257	11,614	-29
(d) Profit before tax reported for second half year	545	2,401	-77

16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Not applicable.

17 Report of persons occupying managerial positions who are related to a director, chief executive officer or substantial shareholder Pursuant to Rule 704 (13)

The Board confirms that, to the best of its knowledge, as of the date hereof, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a Director, Chief Executive Officer or Substantial Shareholder of the Company.

BY ORDER OF THE BOARD

LO CHING
EXECUTIVE CHAIRMAN

Singapore
28 March 2018