

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2005**

A EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD ("FRS")
134 INTERIM FINANCIAL REPORTING

A1 BASIS OF PREPARATION

The interim report is prepared in accordance with FRS134₂₀₀₄ "Interim Financial Reporting" and Appendix 7A of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market.

The accounting policies and method of computation adopted for this quarterly report are consistent with those adopted in the annual financial statements for the year ended 31 December 2004.

A2 AUDIT REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

There were no audit qualifications on the annual financial statements of the Company and its subsidiaries for the financial year ended 31 December 2004.

A3 SEASONALITY OR CYCLICALITY OF OPERATIONS

The business of the Group is not affected by any significant seasonal or cyclical factors.

A4 UNUSUAL ITEMS

During the current quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows that are unusual by reasons of their nature, size or incidence.

A5 CHANGE IN ESTIMATES

There were no material changes in the nature and amount of estimates reported that have a material effect in the current quarter under review.

A6 ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

Save as disclosed in Note A10, there were no issuance, cancellations, repurchases, resale and repayment of debt and equity security during the current quarter under review.

A7 PROPERTY, PLANT AND EQUIPMENT

There was no revaluation on any of the Group's property, plant and equipment during the current quarter under review.

A8 DIVIDEND PAID

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

A9 SEGMENTAL INFORMATION

The Group operates wholly in Malaysia and has only one business segment which is the provision of medical services and supplies.

A10 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM REPORTING PERIOD

On 28 September 2005, the Company issued 42,100,000 new ordinary shares of RM0.10 each in conjunction with its listing exercise. The entire enlarged and paid-up share capital of the Company, comprising 168,330,000 ordinary shares of RM0.10 each were listed and quoted on the MESDAQ Market of Bursa Securities on 6 October 2005

The gross proceeds of the public issue of RM15.998 million to be utilised in the following manner:

	RM
R&D projects	6,000,000
To part finance the construction of Tropicana Medical Centre	6,000,000
Local and regional expansion	1,500,000
Working capital	498,000
Listing expenses	2,000,000
	<u>15,998,000</u>

A11 CHANGES IN THE COMPOSITION OF THE GROUP

There was no change in the composition of the Group for the current financial period under review.

A12 CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent liabilities or contingent assets as at 30 September 2005 and up to the date of this report.

A13 CAPITAL COMMITMENTS

Capital expenditures not provided for in the interim financial report as at 30 September 2005 are as follows:

	RM '000
Approved and contracted	0
Approved but not contracted	35,000
	<u>35,000</u>

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**B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD
 (“BURSA SECURITIES”)**

B1 REVIEW OF PERFORMANCE

For the current quarter under review, the Group achieved a revenue, profit before taxation and profit after taxation of RM5.24 million, RM2.48 million and RM1.74 million respectively.

B2 COMPARISON WITH PRECEDING QUARTER'S RESULTS

There were no material differences compared to the immediate preceding quarter.

B3 PROSPECTS FOR THE CURRENT FINANCIAL YEAR

Barring any unforeseen circumstances, the Board is positive of the Group's performance in the financial year ending 31 December 2005.

B4 VARIANCE ON PROFIT FORECAST/PROFIT GUARANTEE

Not applicable as there was no profit forecast or profit guarantee.

B5 TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 30.09.2005	QUARTER ENDED 30.09.2004	PERIOD ENDED 30.09.2005	PERIOD ENDED 30.09.2004
<u>Malaysian income tax:</u>				
- current taxation	680,154	N/A	2,031,051	N/A
- deferred taxation	63,123	N/A	96,350	N/A
Total	<u>743,277</u>	<u>N/A</u>	<u>2,127,401</u>	<u>N/A</u>

The effective tax rate of the Group for the period ended 30 September 2005 approximates the statutory tax rate.

B6 PROFIT ON SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no purchases or disposals of unquoted investment and/or properties during the current financial period under review.

B7 QUOTED SECURITIES

There were no purchases or disposals of quoted securities during the current financial period under review.

B8 STATUS OF CORPORATE PROPOSAL

There were no corporate proposals announced but not completed as at the date of this report.

B9 BORROWINGS

Details of the Group's borrowings as at 30 September 2005 are as follows:

<u>Current</u>	RM
Term Loans (secured)	580,290
Bank Overdraft	24,364
	<u>604,654</u>
<u>Non-Current</u>	
Term Loans (secured)	5,771,531
	<u>5,771,531</u>
Total Borrowing	6,376,185

B10 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

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

B11 MATERIAL LITIGATIONS

Save as disclosed below, there are no material litigation pending as at the date of this report:-

On 3 June 2005, Sharmila Rebecca George ("**Plaintiff**") commenced an action against Dr Colin Lee (1st), Damansara Women's Specialist Centre Sdn Bhd (2nd) and Hospital Pakar Damansara Sdn Bhd (3rd) (collectively the "**Defendants**") for alleged medical negligence. The Plaintiff is claiming, inter alia, special damages amounting to RM76,848.53 and general damages. The pleadings have been closed and the parties have been directed to file bundles of documents by 16 December 2005.

The Board is of the opinion that the First and Second Defendants have a strong defence to this claim. The lawyers representing the 1st Defendant is of the view that the 1st Defendant has a strong defence to this claim and it follows that liability similarly should not attach to the 2nd Defendant.

The Board is of the opinion that there will not be any material financial impact arising from the above-mentioned material litigation as both the 1st and 2nd Defendants are adequately insured.

B12 DIVIDENDS

The Directors do not propose any dividend for the period under review.

B13 EARNINGS PER SHARE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 30.09.2005	QUARTER ENDED 30.09.2004	PERIOD ENDED 30.09.2005	PERIOD ENDED 30.09.2004
Basic earning per share (EPS)				
Net profit attributable to shareholders	1,736,690	N/A	2,517,213	N/A
Weighted average number of ordinary shares in issue	39,265,739	N/A	14,745,616	N/A
Basic EPS (sen)	4.42	N/A	17.07	N/A

Illustration to the computation of weighted average number of ordinary shares in issue

From	To	No of Days	Event	No of Shares	Weighted Average number of Ordinary Shares in issue
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For the Quarter Ended 30.09.2005

01-Jul-05	18-Aug-05	49		11,803,000	6,286,380.43
19-Aug-05	14-Sep-05	27	Special Issue	12,623,000	3,704,576.09
15-Sep-05	30-Sep-05	16	Share Split/IPO	168,330,000	29,274,782.61
	Total	<u>92</u>		Total	<u>39,265,739.13</u>

For the Period Ended 30.09.2005

01-Jan-05	26-May-05	146		2	1.07
27-May-05	18-Aug-05	84		11,803,000	3,631,692.31
19-Aug-05	14-Sep-05	27		12,623,000	1,248,428.57
15-Sep-05	30-Sep-05	16		168,330,000	9,865,494.51
	Total	<u>273</u>		Total	<u>14,745,616.45</u>