

**NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 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 FRS134 "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

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities in 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

There were no material events subsequent to 31 December 2005 and up to the date of this report.

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 31 December 2005 and up to the date of this report.

A13 CAPITAL COMMITMENTS

Capital expenditures not provided for in the interim financial report as at 31 December 2005 are as follows:

	RM '000
Approved and contracted	<u>39,990</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 RM6.21 million, RM3.23 million and RM2.17 million respectively.

B2 COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group achieved a revenue and profit before taxation of RM6.21 million and RM3.23 million respectively for the current quarter as compared to RM5.24 million and RM2.48 million respectively in the preceding quarter. The improvement was mainly due to the increased awareness of the services provided by the Group following the listing of the Company and the growth in number of patients, both local and foreign.

B3 PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2006

Barring any unforeseen circumstances, the Board is optimistic of the Group's performance in the financial year ending 31 December 2006.

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 31.12.2005	QUARTER ENDED 31.12.2004	PERIOD ENDED 31.12.2005	PERIOD ENDED 31.12.2004
<u>Malaysian income tax:</u>				
- current taxation	1,020,000	N/A	3,051,051	N/A
- deferred taxation	33,978	N/A	130,328	N/A
Total	<u>1,053,978</u>	<u>N/A</u>	<u>3,181,379</u>	<u>N/A</u>

The effective tax rate of the Group for the period ended 31 December 2005 was higher than the statutory tax rate due to certain expenses which were not deductible for tax purposes.

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

The Company completed its listing exercise and was officially quoted on the MESDAQ Market of Bursa Securities on 6 October 2005. There were no other corporate proposals announced but not completed as at the date of this report.

B9 STATUS OF UTILISATION OF LISTING PROCEEDS

The Company raised RM15.998 million during its Initial Public Offering exercise in October 2005 and the details of the utilisation of proceeds up to 31 December 2005 are as follows:-

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation	
			Unutilised Proceeds RM'000	%
R & D Projects	6,000	655	5,345	89%
Part finance the construction of Tropicana Medical Centre	6,000	12	5,988	99%
Local and regional expansion	1,500	35	1,465	98%
Working capital	498	498	-	0%
Listing expenses*	2,000	1,463	537*	27%
Total	15,998	2,663	13,335	

* Balance of unutilised proceeds allocated for listing expenses will be transferred to working capital.

B10 BORROWINGS

There were no borrowings as at 31 December 2005 as the group has fully settled its borrowing during the quarter under review.

B11 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

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

B12 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 court has fixed this matter for mention and for the parties to file bundles of documents on 24 February 2006.

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.

B13 DIVIDENDS

The Directors have proposed a 1st and final gross dividend of 1 sen per share less 28% income tax subject to the shareholders' approval at the forthcoming Annual General Meeting. The book closure date for the purpose of determining the shareholders' entitlements to the said dividends will be announced at a later date

B14 EARNINGS PER SHARE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED	QUARTER ENDED	PERIOD ENDED	PERIOD ENDED
Basic earning per share (EPS)	31-Dec-05	31-Dec-04	31-Dec-05	31-Dec-04
Net profit attributable to shareholders	2,173,289	N/A	4,690,501	N/A
Weighted average number of ordinary shares in issue	168,330,000	N/A	53,457,297	N/A
Basic EPS (sen)	1.29	N/A	8.77	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
For the Quarter Ended 31.12.2005					
01-Oct-05	31-Dec-05	92		168,330,000	168,330,000
	Total	<u>92</u>		Total	<u>168,330,000</u>

For the Period Ended 31.12.2005

01-Jan-05	26-May-05	146		2	1
27-May-05	18-Aug-05	84		11,803,000	2,716,307
19-Aug-05	14-Sep-05	27		12,623,000	933,756
15-Sep-05	30-Sep-05	16		168,330,000	7,378,849
01-Oct-05	31-Dec-05	92		168,330,000	42,428,384
	Total	<u>365</u>		Total	<u>53,457,297</u>