



**CARING PHARMACY GROUP BERHAD**

(Company No.1011859-D)

**INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER ENDED  
28 FEBRUARY 2014**

**Contents**

	Page
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income.....	1
Condensed Consolidated Statement of Financial Position.....	2
Condensed Consolidated Statement of Changes in Equity.....	4
Condensed Consolidated Statement of Cash Flows.....	5
Notes to the Condensed Financial Statements .....	7

**Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Period Ended 28 February 2014**

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 28 Feb 2014 RM'000	Preceding Year Quarter <sup>(2)</sup> 28 Feb 2013 RM'000	Current Year To Date 28 Feb 2014 RM'000	Preceding Year To Date <sup>(2)</sup> 28 Feb 2013 RM'000
REVENUE		81,968	N/A	249,696	N/A
COST OF SALES		(59,406)	N/A	(184,345)	N/A
GROSS PROFIT		22,562	N/A	65,351	N/A
OTHER OPERATING INCOME		8,268	N/A	15,344	N/A
		30,830	N/A	80,695	N/A
SELLING AND DISTRIBUTION EXPENSES		(14,570)	N/A	(39,491)	N/A
ADMINISTRATIVE EXPENSES		(5,873)	N/A	(16,759)	N/A
OTHER OPERATING EXPENSES		(1,149)	N/A	(4,288)	N/A
FINANCE COSTS		(132)	N/A	(218)	N/A
PROFIT BEFORE TAXATION	<b>B5</b>	9,106	N/A	19,939	N/A
TAXATION	<b>B6</b>	(2,277)	N/A	(4,985)	N/A
PROFIT AFTER TAXATION		6,829	N/A	14,954	N/A
OTHER COMPREHENSIVE INCOME , NET OF TAX		-	N/A	-	N/A
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		6,829	N/A	14,954	N/A
PROFIT AFTER TAXATION ATTRIBUTABLE TO :-					
- Owners of the Company		6,619	N/A	13,841	N/A
- Non-Controlling interests		210	N/A	1,113	N/A
		6,829	N/A	14,954	N/A
			N/A		
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :-					
- Owners of the Company		6,619	N/A	13,841	N/A
- Non-Controlling interests		210	N/A	1,113	N/A
		6,829	N/A	14,954	N/A
Earning per share (Sen) attributable to Owners of the Company					
- Basic <sup>(3)</sup>	<b>B12</b>	3.04	N/A	6.36	N/A
- Diluted		N/A	N/A	N/A	N/A

**Notes:**

N/A Not applicable.

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Accountants' Report for the financial year ended 31 May 2013 as disclosed in the Section 12 of the Prospectus of the Company dated 18 October 2013 and the accompanying explanatory notes attached to these interim financial statements.
- (2) No comparative figures for the preceding year are presented as this is the second interim financial report on the consolidated results for the period ended 28 February 2014 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (3) Based on the weighted average number of ordinary shares in issue as detailed in Note B12.

**Unaudited Condensed Consolidated Statement of Financial Position for the Period Ended 28 February 2014**

	Note	AS AT 28 Feb 2014 RM'000	AS AT 31 May 2013 <sup>(2)</sup> RM'000
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		31,684	N/A
Intangible assets		2,946	N/A
Deferred tax assets		448	N/A
		35,078	N/A
<b>CURRENT ASSETS</b>			
Inventories		79,523	N/A
Trade receivables		548	N/A
Other receivables and deposits		4,851	N/A
Tax recoverable		658	N/A
Deposit with financial institutions		59,643	N/A
Cash and bank balances		21,197	N/A
		166,420	N/A
<b>TOTAL ASSETS</b>		<b>201,498</b>	<b>N/A</b>

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**Unaudited Condensed Consolidated Statement of Financial Position for the Period Ended 28 February 2014 (Cont'd)**

	Note	AS AT 28 Feb 2014 RM'000	AS AT 31 May 2013 <sup>(2)</sup> RM'000
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		217,706	N/A
Share premium		7,402	N/A
Retained profits		73,040	N/A
Merger deficit		(181,984)	N/A
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		116,164	N/A
NON-CONTROLLING INTERESTS		6,485	N/A
<b>TOTAL EQUITY</b>		122,649	N/A
<b>NON-CURRENT LIABILITIES</b>			
Term loan	<b>B8</b>	9,900	N/A
Deferred tax liabilities		151	N/A
		10,051	N/A
<b>CURRENT LIABILITIES</b>			
Trade payables		65,911	N/A
Other payables and accruals		2,223	N/A
Provision for taxation		664	N/A
Term loan	<b>B8</b>	-	N/A
		68,798	N/A
<b>TOTAL LIABILITIES</b>		78,849	N/A
<b>TOTAL EQUITY AND LIABILITIES</b>		201,498	N/A
<b>Net assets per share attributable to ordinary equity holders of the parent (RM) <sup>(3)</sup></b>		0.53	N/A

**Notes:**

N/A Not applicable.

- (1) *The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Accountants' Report for the financial year ended 31 May 2013 as disclosed in the Section 12 of the Prospectus of the Company dated 18 October 2013 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) *No comparative figures for the preceding year are presented as this is the second interim financial report on the consolidated results for the period ended 28 February 2014 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.*
- (3) *Based on the issued share capital of 217,706,400 shares after the completion of the Public Issue as detailed in Note B7.*



## Caring Pharmacy Group Bhd (1011859-D)

### Unaudited Condensed Consolidated Statement of Changes in Equity for the Period Ended 28 February 2014

	<----- Distributable to equity holders of the Company ----->			<----- Non-distributable ----->			
	Share Capital	Share Premium	Merger Deficit	Distributable Retained Profits	Total	Non-Controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 June 2013</b>	#	-	-	(7)	(7)	-	(7)
Effect arising from merger	182,706	-	(181,984)	59,199	59,921	6,754	66,675
Effect of issue of share capital by a subsidiary	-	-	-	-	-	54	54
Dilution in equity interest in a subsidiary	-	-	-	7	7	(7)	-
Public issue of shares	35,000	8,750	-	-	43,750	-	43,750
Share issue expenses <sup>(3)</sup>	-	(1,348)	-	-	(1,348)	-	(1,348)
Quasi loans from non-controlling interests	-	-	-	-	-	315	315
Total comprehensive income for the period	-	-	-	13,841	13,841	1,113	14,954
Dividends paid by subsidiaries to non-controlling interests	-	-	-	-	-	(1,744)	(1,744)
<b>At 28 February 2014</b>	217,706	7,402	(181,984)	73,040	116,164	6,485	122,649

Notes :

# Represents RM3.

- (1) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Accountants' Report for the financial year ended 31 May 2013 as disclosed in the Section 12 of the Prospectus of the Company dated 18 October 2013 and the accompanying explanatory notes attached to these interim financial statements.
- (2) No comparative figures for the preceding year are presented as this is the second interim financial report on the consolidated results for the period ended 28 February 2014 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad
- (3) Listing expenses for the issue of the new CARiNG Shares of RM1.34 million were written off against the share premium account under Section 60 of the Companies Act, 1965.

**Unaudited Condensed Consolidated Statement of Cash Flows for the Period Ended 28 February 2014**

	Current Year To Date 28 Feb 2014 RM'000	Preceding Year To Date <sup>(2)</sup> 28 Feb 2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	19,939	N/A
<b>Adjustments for:-</b>		
Depreciation of property, plant and equipment	2,531	N/A
Equipment written off	12	N/A
Gain on disposal of property, plant and equipment	(108)	N/A
Interest expense	218	N/A
Interest income	(792)	N/A
Rental income	(101)	N/A
Initial public offering expenses	1,736	N/A
Operating profit before working capital changes	<u>23,435</u>	<u>N/A</u>
Increase in inventories	(22,016)	N/A
Decrease in trade and other receivables	502	N/A
Increase in trade and other payables	8,193	N/A
<b>CASH FROM OPERATION</b>	<u>10,114</u>	<u>N/A</u>
Tax paid	(5,828)	N/A
Interest paid	(218)	N/A
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>4,068</u>	<u>N/A</u>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	787	N/A
Purchase of property, plant and equipment	(5,839)	N/A
Proceeds from disposal of property, plant and equipment	108	N/A
Rental received	101	N/A
<b>NET CASH FOR INVESTING ACTIVITIES</b>	<u>(4,843)</u>	<u>N/A</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to non-controlling interests	(1,744)	N/A
Payment of initial public offering expenses	(2,129)	N/A
Proceeds from issuance of shares pursuant to Public Issue	43,750	N/A
Drawdown of term loan	2,970	N/A
Repayment of term loans	(3,115)	N/A
Proceeds from issuance of shares to non-controlling interests	54	N/A
Quasi loan from non-controlling interests	315	N/A
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<u>40,101</u>	<u>N/A</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	39,326	N/A
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<u>41,514</u>	<u>N/A</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<u>80,840</u>	<u>N/A</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD COMPRISE:-</b>		
- Deposit with financial institutions	59,643	N/A
- Cash and bank balances	21,197	N/A
	<u>80,840</u>	<u>N/A</u>



**Unaudited Condensed Consolidated Statement of Cash Flows for the Period Ended 28 February 2014 (Cont'd)**

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*Notes:*

*N/A Not applicable.*

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Accountants' Report for the financial year ended 31 May 2013 as disclosed in the Section 12 of the Prospectus of the Company dated 18 October 2013 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) No comparative figures for the preceding year are presented as this is the second interim financial report on the consolidated results for the period ended 28 February 2014 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.*

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**Interim Financial Report for the Period Ended 28 February 2014**
**Part A –Explanatory Notes Pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting**


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**A1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Para 9.22(Appendix 9B Part A) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This is the second interim financial report on the consolidated results for the third quarter ended 28 February 2014 announced by the Company in compliance with the Main Market Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding period.

The interim financial report should be read in conjunction with the Proforma Consolidated Financial Information and Accountants’ Report for the financial year ended 31 May 2013 as disclosed in Prospectus of the Company dated 18 October 2013 and the accompanying explanatory notes attached to this interim financial report.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 31 May 2013. The interim consolidated financial report and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with MFRSs.

The group has adopted merger accounting method for the preparation of this Interim Financial Statements.

**A2. Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the adopted as disclosed in the Accountants’ Report in the prospectus of the company dated 18 October 2013 except for the adoption of the following :-

**MFRSs and IC Interpretations (Including the Consequential Effective Date Amendments)**

MFRS 9 Financial Instruments	1 January 2015
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of Interests in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits	1 January 2013
MFRS 127 Separate Financial Statements	1 January 2013
Amendments to MFRS 7: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures	1 January 2015
Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance	1 January 2013
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014



**Interim Financial Report for the Period Ended 28 February 2014**
**Part A –Explanatory Notes Pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting**


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**A2. Changes in Accounting Policies (Cont’d)**

<b>MFRSs and IC Interpretations (Including The Consequential Amendments) (Cont’d)</b>	<b>Effective Date</b>
Amendments to MFRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Annual Improvements to MFRSs 2009 – 2011 Cycle	1 January 2013

The adoption of the above revised MFRSs, Amendments to FRSs and IC Interpretation will not have any significant financial impact on the financial position and performance of the Group.

**A3. Auditors' Report on Preceding Annual Financial Statements**

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 31 May 2013.

**A4. Seasonal or Cyclical Factors**

The financial performance of the Group is not significantly affected by any seasonal or cyclical factors save for the materialization of purchase rebate entitlements from our suppliers which can only be determined in the third quarter of the financial year.

**A5. Item of Unusual Nature**

There were no significant unusual items affecting the assets, liabilities, equity, net income or cash flow because of their nature, size or incidence for the financial quarter under review except for RM1.736 million of non-recurring expenses related to the Company's Initial Public Offer and Listing on the Main Market of Bursa Securities which were charged as "other operating expenses".

**A6. Material Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current financial quarter.

**A7. Changes in Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current financial quarter except for those disclosed in Note B7.

**Interim Financial Report for the Period Ended 28 February 2014**
**Part A –Explanatory Notes Pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting**


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**A8. Dividend Paid**

An interim single-tier dividend of 1.5 sen per ordinary share in respect of financial year ended 31 May 2014 was declared on 26 February 2014 and paid on 21 March 2014.

During the quarter under review, an interim dividend amounting to RM 597,800 was paid by the Company’s subsidiaries to non-controlling shareholders of subsidiaries in respect of the financial year ended 31 May 2014 on 12 February 2014.

Prior to the completion of the Acquisition as disclosed in Note B7 below, an interim dividend amounting to RM1,145,800 was paid by the Company’s subsidiaries to non-controlling shareholders of subsidiaries in respect of the financial year ended 31 May 2014 on 19 August 2013.

**A9. Segmental Information**

No segmental analysis is prepared as the Group is primarily engaged in retail pharmacy and related activities in Malaysia.

**A10. Capital Commitments**

Capital commitment for property and equipment not provided for as at 28 February 2014 are as follows:-

<b>Capital expenditure commitments</b>	<b>As at 28-Feb-2014 RM’000</b>
Authorised and contracted for - property, plant and equipment	2,713

**A11. Material Events Subsequent To the End of the Interim Period**

Saved as disclosed in Note B7 on the Status of Corporate Proposals, there were no material events subsequent to the end of the current financial quarter that have not been reflected in this quarterly report as at the date of this report.

**Interim Financial Report for the Period Ended 28 February 2014**

**Part A –Explanatory Notes Pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134, Interim Financial Reporting**

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**A12. Changes in Composition of the Group**

On 10 January 2014, CPRM has acquired 1 ordinary share of which representing 50% of the issued and paid-up share capital of Caring Clover Sdn Bhd, thereafter CPRM acquired additional 59,999 ordinary shares of which representing 59.99% of the issued and paid up share capital of Caring Clover Sdn Bhd on 21 January 2014. As at 28 February 2014, CPRM acquired total of 60% equity interest in Caring Clover Sdn Bhd.

**A13. Contingent Liabilities or Contingent Assets**

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

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**Interim Financial Report for the Period Ended 28 February 2014****Part B—Explanatory Notes Pursuant To The Listing Requirements of Bursa Securities**

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**B1. Review of Performance of the Group**

The Group recorded revenue of RM81.97 million and profit before tax of RM9.11 million for the current financial quarter.

For the 9-month period ended 28 February 2014, the Group achieved revenue of RM249.70 million and profit before tax of RM 19.94 million.

During the quarter under review, we have established an additional 5 new outlets comprising 2 shopping complex outlets, 1 street outlet and 2 specialised retail outlets. As of 28 February 2014, we have a total of 93 community pharmacies.

No comparative figures are presented for the preceding year's corresponding quarter as this is the second interim financial report on the consolidated results for the period ended 28 February 2014 announced by the Group.

**B2. Variation of Results with the Immediate Preceding Quarter**

In the current quarter under review, the Group registered a consolidated profit before tax of RM 9.11 million compared to RM 3.57 million in the immediate preceding quarter. The results for the immediate preceding quarter included the listing expenses of RM 1.74 million. The results for the current quarter, if compared to the immediate preceding quarter excluding the listing expenses of RM 1.74 million, is approximately RM 3.80 million higher mainly due to the materialization of purchase rebate as mentioned in Note A4.

**B3. Current Year Prospects**

According to the Economic Report 2013/14 issued by the Minister of Finance, Malaysia's GDP is forecast to grow 5.0% - 5.5% in 2014 which is in line with the forecast growth of 5.9% in wholesale and retail trade sub-sector for 2014.

*(Source: Economic Report 2013/2014, Ministry of Finance, Malaysia)*

On the other hand, the fourth quarter 2013 consumer sentiment index has fallen below the 100-point threshold to 82.4 points for the first time in almost 5 years following inflationary pressure as consumers becoming increasingly cautious with their spending.

*(Source: Malaysian Institute of Economic Research)*

Even so, the Board of Directors are of view that the Group will continue to be profitable. The Group will maintain its strategy of opening additional community pharmacies at strategic locations to expand its customer base as well as its presence in the market while improving on same outlets' sales.

**Interim Financial Report for the Period Ended 28 February 2014**
**Part B—Explanatory Notes Pursuant To The Listing Requirements of Bursa Securities**


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**B4. Profit Forecast and Profit Estimate**

The Group did not issue any profit forecast or profit estimate previously in any public document.

**B5. Notes to the Statement of Profit or Loss and Other Comprehensive Income**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28-Feb-14 RM'000	Preceding Year Quarter 28-Feb-13 RM'000	Current Year To Date 28-Feb-14 RM'000	Preceding Year To Date 28-Feb-13 RM'000
Depreciation of property, plant and equipment	1,153	N/A	2,531	N/A
Interest expense	132	N/A	218	N/A
Interest income	(439)	N/A	(792)	N/A
Rental income	(42)	N/A	(101)	N/A

Save for the above, the other items as required under Appendix 9B Part A (16) of the Main Market Listing Requirements of Bursa Securities are not applicable.

Note:

No comparative figures for the preceding quarter and preceding year are available as these are the second interim financial report on the consolidated results for the third quarter ended 28 February 2014 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Securities.

**B6. Income Tax Expense**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28-Feb-14 RM'000	Preceding Year Quarter 28-Feb-13 RM'000	Current Year To Date 28-Feb-14 RM'000	Preceding Year To Date 28-Feb-13 RM'000
<b>Income Tax</b>				
Current Tax - Current	2,277	N/A	4,985	N/A
Tax expense	2,277	N/A	4,985	N/A

Note:

No comparative figures for the preceding quarter and preceding year are available as these are the second interim financial report on the consolidated results for the third quarter ended 28 February 2014 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Securities.

The effective tax rate for the current quarter and financial period under review is the same as the statutory tax rate of 25%.

**Interim Financial Report for the Period Ended 28 February 2014****Part B—Explanatory Notes Pursuant To The Listing Requirements of Bursa Securities**

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**B7. Status of Corporate Proposals**

In conjunction with and as an integral part of our company listing on main market of Bursa, the following listing scheme was undertaken by the company:

i. Acquisition

On 25 February 2013, the Company entered into a conditional Share Purchase Agreement with the vendors of CPRM for the acquisition of 2,310,918 ordinary share of RM1.00 each, representing the entire issued and paid up share capital of CPRM, for a total consideration of RM182,706,397 based on the audited consolidated profit after tax attributable to equity holders of CPRM Group ("PATAMI") as at 31 May 2012 which amounted to RM18,270,641. The purchase consideration represents a PE Multiple of approximately 10 times based on the audited consolidated PATAMI of CPRM Group for FYE 2012 and was satisfied by the issuance of 182,706,397 new ordinary shares of RM1.00 each in CARiNG at an issue price of RM1.00 per share.

The acquisition exercise was completed on 4 September 2013.

ii. Initial Public Offering ("IPO")

a. Public Issue

Pursuant to the Public Issue, the Company has issued 35,000,000 new ordinary shares of RM1.00 each at an issue price of RM1.25 per Share were allocated in the following manner:

- (a) 10,886,000 new shares, representing approximately 5.00% of the enlarged issue and paid-up share capital of CARiNG were allocated via balloting to Malaysian public of which at least 50% had been allocated to Bumiputera individuals, companies, societies, co-operatives and institutions.
- (b) 5,716,000 new shares, representing approximately 2.63% of the enlarged issued and paid-up share capital of CARiNG were acquired by the eligible directors, employees and business associates of the CARiNG Group.
- (c) 4,200,000 new shares, representing approximately 1.93% of the enlarged issued and paid-up share capital of CARiNG were allocated via private placement to Bumiputera investors approved by the Ministry of International Trade and Industry ("MITI").
- (d) 14,198,000 new shares, representing approximately 6.52% of the enlarged issued and paid-up share capital of CARiNG were allocated via private placement to selected investors.

**Interim Financial Report for the Period Ended 28 February 2014**
**Part B—Explanatory Notes Pursuant To The Listing Requirements of Bursa Securities**
**B7. Status of Corporate Proposals (Cont'd)**

## iii. Listing

The Company's entire enlarged issued and paid-up share capital of RM217,706,400 comprising of 217,706,400 ordinary shares of RM1.00 each was listed on the Main Market of Bursa Securities on 13 November 2013.

## iv. Utilisation of Proceeds

The Public Issue has raised gross proceeds of RM43.75 million. The status of the utilisation of the proceeds as at 28 February 2014 is as follows:

Purposes	Proposed Utilisation	Actual utilisation	Deviation	Balance	Estimated Timeframe for Utilisation Upon Listing
	RM'000	RM'000	RM'000	RM'000	
(i) New community pharmacy outlets					
- Property, plant and equipment	6,000	(385)	-	5,615	Within 24 months
- Inventories	12,000	(1,621)	-	10,379	Within 24 months
(ii) To pare down borrowings to reduce interest cost	6,000	-	-	6,000	Within 24 months
(iii) Renovation of new head office and warehouse	4,000	-	-	4,000	Within 24 months
(iv) Working capital <sup>(1)</sup>	11,750	-	907	12,657	Within 24 months
(v) Estimated listing expenses <sup>(1)</sup>	4,000	(3,093)	(907)	-	Within 3 months
<b>Total gross proceeds</b>	<b>43,750</b>	<b>(5,099)</b>	<b>-</b>	<b>38,651</b>	

**Note:-**

(1) Actual listing expenses incurred were less than the estimated listing expenses by approximately RM0.907 million. Pursuant to the Prospectus dated 18 October 2013, the excess will be utilised for working capital purpose.

As at the date of this report, save as disclosed above, there are no other corporate proposals that are pending for completion.

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**Interim Financial Report for the Period Ended 28 February 2014**
**Part B—Explanatory Notes Pursuant To The Listing Requirements of Bursa Securities**


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**B8. Group Borrowings**

The Group's borrowing as at 28 February 2014 are as follows:

	<b>As at 28-Feb-14 RM'000</b>	<b>As at 31-May-13 RM'000</b>
Long term borrowing		
Secured:		
Term loan	9,900	N/A
Short term borrowing		
Secured:		
Term loan	-	N/A
Total borrowing	9,900	N/A

*No comparative figures for the preceding quarter and preceding year are available as this is the second interim report on the consolidated results for the third quarter ended 28 February 2014 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Securities.*

**B9. Material Litigation**

There was no material litigation and the Directors do not aware of any proceedings pending or threatened against the Group as at the date of issuance of this interim financial report.

**B10. Dividends**

No dividend was proposed in respect of the current financial period.

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**Interim Financial Report for the Period Ended 28 February 2014**
**Part B—Explanatory Notes Pursuant To The Listing Requirements of Bursa Securities**


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**B11. Realised and Unrealised Profits**

The disclosure of realised and unrealised profits below is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities.

	<b>As at 28-Feb-2014 RM'000</b>	<b>As at 31-May-2013 RM'000</b>
Total retained earnings		
- realised	71,350	N/A
- unrealised	297	N/A
	71,647	N/A
Add: consolidated adjustments	1,393	N/A
Total retained earnings	73,040	N/A

*No comparative figures for the preceding quarter and preceding year are available as this is the second interim report on the consolidated results for the third quarter ended 28 February 2014 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Securities.*

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**Interim Financial Report for the Period Ended 28 February 2014**
**Part B—Explanatory Notes Pursuant To The Listing Requirements of Bursa Securities**
**B12. Earnings Per Share**

## (a) Basic Earnings Per Share

The basic earnings per share for the current quarter and financial year to date are computed as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 28-Feb-14 RM'000	Preceding Year Quarter 28-Feb-13 RM'000	Current Year To Date 28-Feb-14 RM'000	Preceding Year To Date 28-Feb-13 RM'000
Profit for the period	6,619	N/A	13,841	N/A
Number of ordinary shares of RM1.00 each in issue*	217,706	N/A	217,706	N/A
Basic Earnings Per Share (sen)	3.04	N/A	6.36	N/A

*Note:*

\* Based on the issued share capital after the completion of the Acquisitions as detailed in Note B7 (i) and the Public Issue as detailed in Note B7 (ii).

No comparative figures for the preceding quarter and preceding year are available as this is the second interim report on the consolidated results for the third quarter ended 28 February 2014 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Securities.

## (b) Diluted Earnings Per Share

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue for the current quarter and financial year-to-date.

By order of the Board  
25 April 2014