

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

ANNOUNCEMENT OF RESULTS
 FOR THE HALF YEAR ENDED 31ST JULY 2018

Part I Information required for announcements of half 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 31.07.18	Unaudited 31.07.17	Change % +/-
Note	S\$'000	S\$'000	
Revenue	4,701	6,655	-29.4
Cost of sales	<u>(2,178)</u>	<u>(3,113)</u>	-30.0
Gross profit	2,523	3,542	-28.8
Other items of income			
Interest income	10	13	-25.8
Other income	265	249	6.4
Other items of expense			
Marketing and distribution costs	(3,100)	(3,284)	-5.6
Administration and other operating expenses	(1,164)	(913)	27.5
Finance costs	<u>(46)</u>	<u>(26)</u>	75.3
Loss before tax	(i) <u>(1,512)</u>	<u>(419)</u>	N.M
Income tax expense	(ii) -	(4)	-100
Loss for the period	<u>(1,512)</u>	<u>(423)</u>	N.M
Other comprehensive loss:			
Foreign currency translation	(137)	(9)	
Revaluation of leasehold property	1	-	
Other comprehensive loss for the period, net of tax	<u>(136)</u>	<u>(9)</u>	
Total comprehensive loss for the period	<u>(1,648)</u>	<u>(432)</u>	
Loss for the period attributable to:			
Owners of the parent	(1,331)	(423)	
Non-controlling interests	<u>(181)</u>	<u>-</u>	
	<u>(1,512)</u>	<u>(423)</u>	
Total comprehensive loss attributable to:			
Owners of the parent	(1,467)	(432)	
Non-controlling interests	<u>(181)</u>	<u>-</u>	
	<u>(1,648)</u>	<u>(432)</u>	

N.M. : Not Meaningful

	Group		
	Unaudited	Unaudited	Change
	31.07.18	31.07.17	%
	S\$'000	S\$'000	+/-

Note:

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

Depreciation of property, plant and equipment	223	149	50
Inventories written off	11	5	120
Forex (gain)/loss	(72)	20	-460

(ii) **Income tax expense**

Current income tax			
- Singapore	-	(4)	-100
- Foreign	-	-	
	<u>-</u>	<u>(4)</u>	
	<u><u>-</u></u>	<u><u>(4)</u></u>	

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	Audited	Unaudited	Audited
	31.07.18	31.01.18	31.07.18	31.01.18
	S\$'000	S\$'000	S\$'000	S\$'000
Assets				
Non-current assets				
Property, plant and equipment	2,887	2,465	-	-
Investment in subsidiary companies	-	-	13,366	13,366
Other receivables	637	442	-	-
Deferred tax assets	117	117	-	-
	<u>3,641</u>	<u>3,024</u>	<u>13,366</u>	<u>13,366</u>
Current assets				
Inventories	2,522	3,198	-	-
Trade and other receivables	1,587	4,452	1,072	204
Cash and cash equivalents	6,238	5,094	2,429	3,420
	<u>10,347</u>	<u>12,744</u>	<u>3,501</u>	<u>3,624</u>
Total assets	<u>13,988</u>	<u>15,768</u>	<u>16,867</u>	<u>16,990</u>
Equity and liabilities				
Current liabilities				
Trade and other payables	586	770	8,245	8,241
Provisions	339	279	-	-
Interest-bearing loans and borrowings	3,400	3,400	-	-
Finance lease	16	16	-	-
	<u>4,341</u>	<u>4,465</u>	<u>8,245</u>	<u>8,241</u>
Net current assets / (liabilities)	<u>6,006</u>	<u>8,279</u>	<u>(4,744)</u>	<u>(4,617)</u>
Non-current liabilities				
Finance lease	17	25	-	-
Deferred tax liabilities	231	231	-	-
	<u>248</u>	<u>256</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>4,589</u>	<u>4,721</u>	<u>8,245</u>	<u>8,241</u>
Net assets	<u>9,399</u>	<u>11,047</u>	<u>8,622</u>	<u>8,749</u>
Capital and reserves				
Share capital	14,250	14,250	14,250	14,250
Reserves	(3,393)	(3,257)	-	-
(Accumulated losses) / Retained earnings	(1,231)	100	(5,628)	(5,501)
Equity attributable to owners of the parent	<u>9,626</u>	<u>11,093</u>	<u>8,622</u>	<u>8,749</u>
Non-controlling interests	(227)	(46)	-	-
Total equity	<u>9,399</u>	<u>11,047</u>	<u>8,622</u>	<u>8,749</u>
Total equity and liabilities	<u>13,988</u>	<u>15,768</u>	<u>16,867</u>	<u>16,990</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities**(a) Amount repayable in one year or less, or on demand**

	<u>As at 31.07.18</u>		<u>As at 31.01.18</u>	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Loans and borrowings	3,400	-	3,400	-

(b) Amount repayable after one year

	<u>As at 31.07.18</u>		<u>As at 31.01.18</u>	
	<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Loans and borrowings	17	-	25	-

(c) Details of any collateral

Loans and borrowings were secured by:

- (i) Legal mortgage over subsidiary's leasehold property and
- (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

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

	Group	
	Unaudited 31.07.18 S\$'000	Unaudited 31.07.17 S\$'000
Operating activities:		
Loss before tax	(1,512)	(423)
	<u>(1,512)</u>	<u>(423)</u>
Adjustments for:		
Depreciation of property, plant and equipment	223	149
Interest expense	46	26
Interest income	(10)	(13)
Inventories written off	11	5
Foreign exchange differences	(136)	(9)
Operating cash flows before changes in working capital	<u>(1,378)</u>	<u>(265)</u>
Trade and other receivables	2,670	(358)
Inventories	665	589
Trade and other payables	(184)	46
Provision	60	(29)
Cash flows used in operations	<u>1,833</u>	<u>(17)</u>
Interest income received	10	13
Interest paid	(46)	(26)
Income taxes paid	-	4
Net cash flows used in operating activities	<u>1,797</u>	<u>(26)</u>
Investing activities:		
Purchase of property, plant and equipment	(645)	(233)
Net cash flows (used in)/ from investing activities	<u>(645)</u>	<u>(233)</u>
Financing activities:		
Proceeds from interest-bearing loans and borrowings	-	(800)
Increase in fixed deposits	-	(13)
Repayment of finance lease obligations	(8)	(8)
Net cash flows used in financing activities	<u>(8)</u>	<u>(821)</u>
Net Increase/(decrease) in cash and cash equivalents	1,144	(1,080)
Cash and cash equivalents at beginning of period	5,094	3,184
Cash and cash equivalents at end of financial period (Note A)	<u>6,238</u>	<u>2,104</u>

Note A:

	Group	
	Unaudited 31.07.18 S\$'000	Unaudited 31.07.17 S\$'000
Cash and cash equivalents		
Cash at banks and in hand	4,201	2,104
Fixed deposits placed with licensed banks	2,037	-
	<u>6,238</u>	<u>2,104</u>

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

Attributable to owners of the parent

Group	Share capital S\$'000	Foreign currency translation reserve S\$'000	Revaluation reserves S\$'000	Accumulated Losses S\$'000	Equity attributable owners of the Company S\$'000	Non- controlling interests S\$'000	Total S\$'000
Balance as at 1 February 2017	14,250	(3,950)	519	47	10,866	-	10,866
Loss for the period	-	-	-	(423)	(423)	-	(423)
Other comprehensive loss for the period	-	(9)	-	-	(9)	-	(9)
Total comprehensive loss for the period	-	(9)	-	(423)	(432)	-	(432)
Dividend	-	-	-	-	-	-	-
Balance as at 31 July 2017	14,250	(3,959)	519	(376)	10,434	-	10,434
Balance at 1 February 2018	14,250	(3,924)	667	100	11,093	(46)	11,047
Loss for the period	-	-	-	(1,331)	(1,331)	(181)	(1,512)
Other comprehensive loss for the period	-	(137)	1	-	(136)	-	(136)
Total comprehensive loss for the period	-	(137)	1	(1,331)	(1,467)	(181)	(1,648)
Dividend	-	-	-	-	-	-	-
Balance at 31 July 2018	14,250	(4,061)	668	(1,231)	9,626	(227)	9,399

Company

	Share capital S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance at 1 February 2017	14,250	(439)	13,811
Loss for the period	-	(120)	(120)
Other comprehensive loss for the period	-	-	-
Total comprehensive loss for the period	-	(120)	(120)
Dividend	-	-	-
Balance at 31 July 2017	14,250	(559)	13,691
Balance at 1 February 2018	14,250	(5,501)	8,749
Loss for the period	-	(127)	(127)
Other comprehensive loss for the period	-	-	-
Total comprehensive loss for the period	-	(127)	(127)
Dividend	-	-	-
Balance at 31 July 2018	14,250	(5,628)	8,622

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.

	31.07.18	31.07.17
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 or reviewed by the auditor.

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 2018 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 2018. 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	
	Half year ended 31.07.18	Half year ended 31.07.17
Earnings/(loss) per share (in SGD cents)		
- Basic ⁽¹⁾		
From continuing operations	(5.04)	(1.41)
From discontinued operations	Nil	Nil
- Fully diluted ⁽²⁾		
From continuing operations	(5.04)	(1.41)
From discontinued operations	Nil	Nil

⁽¹⁾ Basic earnings/(loss) 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. The EPS for comparative period has been recomputed based on 29,999,993 shares in accordance with FRS 33.

⁽²⁾ Group fully diluted earnings per share is the same as Group basic earnings per ordinary share because there is no potential dilutive shares as at 31 July 2018 and 31 July 2017 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

	Group		Company	
	31.07.18 Cents	31.07.17 Cents	31.07.18 Cents	31.07.17 Cents
Net Assets backing per ordinary share based on existing issued share capital as at the end of the period reported on	31.33	34.78	28.74	45.64

Net asset value per ordinary share was based on 29,999,993 ordinary shares 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's total revenue decreased significantly by S\$1.95 million (29.4%) from S\$6.66 million in first half of FY2018 to S\$4.70 million in first half of FY2019. The drop in sales from retail sector in Singapore by S\$1.28 million from S\$5.48 million in first half of FY2018 to S\$4.20 million in first half of FY2019 and wholesales transactions to China by S\$0.98 million from S\$0.98 million in first half of FY2018 to NIL in first half of FY2019 mainly contributed to the decrease.

The decrease in sales for retail sector in Singapore due to various factors. The main factors were relocating of 3 outlets resulting to loss of revenue from the respective 3 outlets, general softness of retail sales environment and increasing competition in e-commerce sales.

Other income

Other income increased by S\$13,000 from \$262,000 in first half of FY2018 to \$275,000 in first half of FY2019.

Marketing and distribution cost

Marketing and distribution cost decreased by S\$184,000 (5.6%) from S\$3.28 million in first half of FY2018 to S\$3.10 million in first half of FY2019.

Administration and other operating expenses

Administration and other operating expenses increased by S\$251,000 (27.5%) from S\$913,000 in first half of FY2018 to S\$1.16 million in first half of FY2019. This is mainly due to additional expenses amounting to S\$375,000 incurred by new subsidiary Camsing Healthcare (Fuzhou) Medical Instrument Co., Ltd.

Profit (Loss) for the year

The Group's loss before tax increased from S\$419,000 in prior year to S\$1.51 million in first half of the fiscal year due to significant decrease in revenue.

8 B) Group statement of financial position review

Property, plant and equipment

As at July 31, 2018, cost of property, plant and equipment increased by S\$422,000 (17.1%) to S\$2.89 million. This is mainly due to new capital expenditures incurred by subsidiary Camsing Healthcare (Fuzhou) Medical Instrument Co., Ltd.

Trade and other receivables

Trade receivables and other receivables decreased significantly by S\$2.87 million from S\$4.45 million in January 2018 to S\$1.59 million in July 2018. This is mainly due to the settlement of wholesales debts in first half of FY2019.

Inventories

Inventory balance decreased by 21.1% from \$3.20 million in January 2018 to \$2.52 million in July 2018. This is due to the rationalisation of SKUs and control on purchasing cycle.

Cash and cash equivalents

Cash and short-term deposits increased by 22.5% from S\$5.09 million in January 2018 to S\$6.24 million in July 2018. This is mainly due to the settlement of wholesale debts in first half of FY2019, resulting in an increase in cash collected.

Interest-bearing loans and borrowings

The Interest-bearing loans and borrowing maintained at S\$3.40 million as at July 31, 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, China and Cambodia.

The group will continue to source and expand its range of health foods and supplement products and will continue its' expansion efforts in Asia markets. Intensifying promotions will be carried out to members in order to improve the revenue for the 2nd half of the financial year.

The group had started distributing of medical devices to hospitals in China through new subsidiary company, Camsing Healthcare (Fuzhou) Medical Instrument Co., Ltd.

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 17 to Nov 18 Fee: \$26,500
- Legal retainer services fee for period of 1 May 18 to 30 April 19 Fee: \$ 6,000

14 CONFIRMATION BY DIRECTORS

The Board of Directors of the Company hereby confirm that, to the best of its knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the six months ended 31 July 2018 to be false or misleading.

BY ORDER OF THE BOARD

LO CHING
EXECUTIVE CHAIRMAN

Singapore
Date: 13th September 2018