



**APEX HEALTHCARE BERHAD (473108-T)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

**(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2011**

	Note	3 MONTHS ENDED		PERIOD ENDED	
		30/06/2011	30/06/2010	30/06/2011	30/06/2010
		RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	9	<b>88,983</b>	<b>77,117</b>	<b>181,805</b>	<b>154,651</b>
Cost of sales		(66,208)	(57,025)	(133,765)	(113,464)
<b>Gross profit</b>		<b>22,775</b>	<b>20,092</b>	<b>48,040</b>	<b>41,187</b>
Other income		402	423	670	686
Selling & marketing expenses		(10,951)	(9,933)	(22,004)	(19,366)
Administrative expenses		(3,758)	(3,388)	(7,277)	(6,881)
Other expenses		(69)	(12)	(152)	(153)
Finance cost		(83)	(88)	(164)	(171)
Share of results of associates		449	733	1,280	1,373
<b>Profit before tax</b>	9	<b>8,765</b>	<b>7,827</b>	<b>20,393</b>	<b>16,675</b>
Income tax expense	21	(2,071)	(1,778)	(4,557)	(3,708)
<b>Net profit for the period</b>		<b>6,694</b>	<b>6,049</b>	<b>15,836</b>	<b>12,967</b>
<b>Other comprehensive income / (expense)</b>					
Currency exchange differences on translating foreign entities		-	-	-	-
Revaluation increase of properties, net of deferred tax		-	-	-	(33)
<b>Total comprehensive income for the period</b>		<b>6,694</b>	<b>6,049</b>	<b>15,836</b>	<b>12,934</b>
<b>Net profit attributable to:</b>					
Owners of the parent		6,550	5,800	15,451	12,504
Minority interest		144	249	385	463
<b>Net profit for the period</b>		<b>6,694</b>	<b>6,049</b>	<b>15,836</b>	<b>12,967</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		6,550	5,800	15,451	12,471
Minority interest		144	249	385	463
<b>Total comprehensive income for the period</b>		<b>6,694</b>	<b>6,049</b>	<b>15,836</b>	<b>12,934</b>
<b>Earnings per share attributable to owners of the parent:</b>					
		<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
- Basic	30	<b>6.99</b>	<b>6.19</b>	<b>16.49</b>	<b>13.34</b>
- Diluted	30	<b>6.99</b>	<b>6.19</b>	<b>16.49</b>	<b>13.34</b>

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the Interim Financial Report.



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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

**(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011**

		<u>Audited</u>
	As at	As at
Note	30/06/2011	31/12/2010
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	69,711	69,223
Investment properties	3,810	3,810
Intangible assets	1,253	1,285
Investment in associates	50,355	49,594
Available-for-sale investment	3,928	3,928
Deferred tax assets	585	359
	<u>129,642</u>	<u>128,199</u>
<b>Current Assets</b>		
Inventories	46,939	38,914
Trade and other receivables	87,695	75,578
Derivatives	38	47
Deposits, bank and cash balances	18,923	23,250
	<u>153,595</u>	<u>137,789</u>
<b>TOTAL ASSETS</b>	<b><u>283,237</u></b>	<b><u>265,988</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	63,410	50,846
Borrowings	2,267	2,840
Current tax payable	2,360	1,144
	<u>68,037</u>	<u>54,830</u>
<b>Non-Current Liabilities</b>		
Borrowings	5,479	6,612
Deferred tax liabilities	6,738	6,175
	<u>12,217</u>	<u>12,787</u>
<b>TOTAL LIABILITIES</b>	<b><u>80,254</u></b>	<b><u>67,617</u></b>
<b>NET ASSETS</b>	<b><u>202,983</u></b>	<b><u>198,371</u></b>
<b>EQUITY</b>		
<b>Equity attributable to owner of the parent</b>		
Share capital	93,717	93,717
Reserves	6,748	6,748
Retained earnings	89,199	82,598
	<u>189,664</u>	<u>183,063</u>
<b>Minority interest</b>	<u>13,319</u>	<u>15,308</u>
<b>TOTAL EQUITY</b>	<b><u>202,983</u></b>	<b><u>198,371</u></b>
	<b>RM</b>	<b>RM</b>
<b>Net Assets per share attributable to owner of the parent</b>	<b><u>2.02</u></b>	<b><u>1.95</u></b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the Interim Financial Report.



**APEX HEALTHCARE BERHAD (473108-T)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

**(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2011**

	Note	<u>Non-Distributable</u>			<u>Distributable</u>		Minority Interests	Total Equity
		Share Capital	Share Premium	Revaluation & other reserves	Retained Profits	Total		
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b><u>PERIOD ENDED 30 JUNE 2011</u></b>								
Balance as at 1 January 2011		93,717	-	6,748	82,598	183,063	15,308	198,371
Net profit for the 6-months period		-	-	-	15,451	15,451	385	15,836
Other comprehensive income/(expense)		-	-	-	-	-	-	-
Total comprehensive income/(expense)		-	-	-	15,451	15,451	385	15,836
Purchase of equity interest from minority interests	12	-	-	-	(1,353)	(1,353)	(2,113)	(3,466)
Dividend paid to minority interest		-	-	-	-	-	(261)	(261)
Dividends	7	-	-	-	(7,497)	(7,497)	-	(7,497)
<b>Balance as at 30 June 2011</b>	<b>8</b>	<b>93,717</b>	<b>-</b>	<b>6,748</b>	<b>89,199</b>	<b>189,664</b>	<b>13,319</b>	<b>202,983</b>
<b><u>PERIOD ENDED 30 JUNE 2010</u></b>								
Balance as at 1 January 2010		74,974	5,305	7,188	75,081	162,548	9,835	172,383
Net profit for the 6-months period		-	-	-	12,504	12,504	463	12,967
Other comprehensive income/(expense)		-	-	(33)	-	(33)	-	(33)
Total comprehensive income/(expense)		-	-	(33)	12,504	12,471	463	12,934
Issue of bonus shares		18,743	(5,305)	-	(13,438)	-	-	-
Share issue expenses		-	-	-	(84)	(84)	-	(84)
Dividends	7	-	-	-	(8,153)	(8,153)	-	(8,153)
<b>Balance as at 30 June 2010</b>		<b>93,717</b>	<b>-</b>	<b>7,155</b>	<b>65,910</b>	<b>166,782</b>	<b>10,298</b>	<b>177,080</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the Interim Financial Report.



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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

**(THE FIGURES HAVE NOT BEEN AUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 JUNE 2011**

	PERIOD ENDED	
	30/06/2011	30/06/2010
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	20,393	16,675
Adjustments:		
Depreciation and amortization	3,268	3,071
Net profit on disposal of property, plant and equipment	(93)	(137)
Share of results of associates	(1,280)	(1,373)
Fair value adjustment on investment properties	-	42
Fair value changes of derivatives	10	4
Inventories written off and written down	141	110
Allowance for doubtful debts	822	144
Other non-cash items	25	84
Operating profit before working capital changes:	23,286	18,620
Inventories	(8,166)	(573)
Receivables	(13,121)	(9,764)
Payables	12,563	6,477
Cash generated from operations	14,562	14,760
Tax paid	(2,963)	(1,227)
<b>Net cash generated from operating activities</b>	<b>11,599</b>	<b>13,533</b>
<b>Cash flows from investing activities</b>		
Purchase of equity interest from minority interests	(3,466)	-
Dividends received from associate	661	-
Dividends paid to minority shareholders	(261)	-
Purchase of property, plant and equipment & intangible assets	(3,731)	(4,122)
Proceeds from disposal of property, plant and equipment	100	137
Interest received	139	87
<b>Net cash used in investing activities</b>	<b>(6,558)</b>	<b>(3,898)</b>
<b>Cash flows from financing activities:</b>		
Term loans repaid	(1,195)	(1,421)
Dividends paid	(7,497)	(8,153)
Share issue expenses paid	-	(84)
Other financing activities paid	(164)	(287)
<b>Net cash used in financing activities</b>	<b>(8,856)</b>	<b>(9,945)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(3,815)</b>	<b>(310)</b>
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>22,738</b>	<b>19,950</b>
Currency translation difference	-	-
<b>Cash and cash equivalents at the end of the financial period</b>	<b>18,923</b>	<b>19,640</b>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the Interim Financial Report.



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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011  
(THE FIGURES HAVE NOT BEEN AUDITED)**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2011**

**1 Basis of Preparation and Accounting policies**

The interim financial report has been prepared under the historical cost basis except for the following assets and liabilities which are measured at fair values: properties included within property, plant and equipment as disclosed in note 10, investment properties, and derivatives.

The Interim Financial Report is unaudited and has been prepared in compliance with FRS No.134, "Interim Financial Reporting" and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. It should be read in conjunction with the Group's most recent audited financial statements for the year ended 31 December 2010.

The significant accounting policies adopted are consistent with those adopted in the audited financial statements for the year ended 31 December 2010, except for the adoption of the following Financial Reporting Standards ("FRS") and Issues Committee ("IC") Interpretations:

Description	Effective for annual periods commencing on or after
FRS 1: First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3: Business Combinations (Revised)	1 July 2010
Amendments to FRS 2: Share-based Payment	1 July 2010
Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 127: Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 138: Intangible Assets	1 July 2010
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives	1 July 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to FRS 132: Classification of Rights Issues	1 March 2010
Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 1: Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 1: Improvements to FRSs (2010)	1 January 2011
Amendments to FRS 2: Group Cash-settled share-based Payment Transactions	1 January 2011
Improvements to FRSs (2010)	1 January 2011
Amendments to FRS 7: Improvements to FRSs (2010)	1 January 2011
IC Interpretation 4 Determining whether an Arrangement contains a lease	1 January 2011
Amendments to IC Interpretation 13: Improvements to FRSs (2010)	1 January 2011
IC Interpretation 18 Transfer of Assets from Customers	1 January 2011
IC Interpretation 14 Prepayments of a Minimum Funding Requirement	1 July 2011
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
FRS 124 : Related Party Disclosure	1 January 2012
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012

Except for the changes in accounting policies arising from the adoption of the revised FRS 3 and, the amendments to FRS 127, as well as the new disclosures required under the Amendments to FRS 7, the Board of Directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the changes in accounting policy on adoption of the revised FRS 3 and the amendments to FRS 127 which are effective for annual periods beginning on or after 1 July 2010 are described below.

The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 Statement of Cash Flows, FRS 112 Income Taxes, FRS 121 The Effects of Changes in Foreign Exchange Rates, FRS 128 Investments in Associates and FRS 131 Interests in Joint Ventures.

The changes from revised FRS 3 and Amendments to FRS 127 has affected the Group's acquisition of an additional 4% equity interest in First SGC Pte Ltd ("FSGC") from the minority interests for a cash consideration of S\$ 1.45 million equivalent to RM 3.5 million. This acquisition which is elaborated further in note 12 has been accounted for as an equity transaction as reflected in the Consolidated Statement of Changes in Equity.



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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

**(THE FIGURES HAVE NOT BEEN AUDITED)**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2011 (continued)**

**2 Audit report qualifications of the preceding annual financial statements**

The Auditors had reported without any qualifications on the Group's audited financial statements for the year ended 31 December 2010.

**3 Seasonality or cyclical nature of interim operations**

The Group's interim operations are not affected materially by any seasonal or cyclical factors.

**4 Unusual items**

There were no unusual items that affected the assets, liabilities, equity, net income or cash flows for the period ended 30 June 2011.

**5 Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial year**

There were no changes in estimates of amounts reported in the prior interim periods of the current financial year or prior financial year.

**6 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities**

There were no issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the period ended 30 June 2011.

**7 Dividends paid**

There were no dividends paid during the current period ended 30 June 2011.

	30/06/2011	30/06/2010
	RM'000	RM'000
<u>In respect of the financial year ended 31 December</u>		
2010: Final Dividend of 4.0 sen gross per share less tax and Special Tax-exempt Dividend of 5.0 sen per share paid on 23-Jun-11	7,497	-
2009: Final Dividend of 4.5 sen gross per share less tax and Special Dividend of 10.0 sen gross per share less tax paid on 23-Jun-10	-	8,153
	<u>7,497</u>	<u>8,153</u>

**8 Realised and Unrealised Profits/Losses Disclosure**

	30/06/2011	31/12/2010
	RM'000	RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
Realised	88,881	80,966
Unrealised	(1,568)	(1,373)
	<u>87,313</u>	<u>79,593</u>
Total share of retained profits /(accumulated losses) from associated companies		
Realised	19,170	18,795
Unrealised	-	-
	<u>19,170</u>	<u>18,795</u>
Less: Consolidation adjustments	(17,284)	(15,790)
Total group retained profits as per consolidated accounts	<u>89,199</u>	<u>82,598</u>

Note: Comparative figures are not required in the first financial year of complying with the Realised and Unrealised Profits/Losses Disclosure.



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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

**(THE FIGURES HAVE NOT BEEN AUDITED)**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2011 (continued)**

9 Segment Information

The Group concluded that the reportable operating segments determined in accordance with FRS 8 are materially the same as the business segments previously identified under FRS 114 based on information that internally is provided to the Chief Executive Officer, who is the Group's chief operating decision maker.

<b>OPERATING SEGMENTS</b>	Manufacturing	Wholesale, marketing and distribution	Investment holding	<b>GROUP</b>
<b>PERIOD ENDED 30/06/2011</b>	RM'000	RM'000	RM'000	RM'000
Total Revenue	42,925	157,004	7,329	207,258
Inter-segment revenue	(20,402)	-	(5,051)	(25,453)
External Revenue	22,523	157,004	2,278	<b>181,805</b>
Segment Results (external)	13,678	7,205	386	21,269
Unallocated corporate expenses				(712)
Finance costs				(164)
<b>Profit before tax</b>				<b>20,393</b>
<b>PERIOD ENDED 30/06/2010</b>	RM'000	RM'000	RM'000	RM'000
Total Revenue	36,666	127,925	4,720	169,311
Inter-segment revenue	(10,795)	-	(3,865)	(14,660)
External Revenue	25,871	127,925	855	<b>154,651</b>
Segment Results (external)	10,478	6,643	440	17,561
Unallocated corporate expenses				(715)
Finance costs				(171)
<b>Profit before tax</b>				<b>16,675</b>
<b>Segment assets</b>				
30-Jun-2011	78,903	136,621	66,734	<b>282,258</b>
31-Dec-2010	80,008	116,857	68,188	<b>265,053</b>

10 Valuations of Property, Plant and Equipment

The carrying value of land and buildings is based on a valuation carried out in the year ended 31 December 2009 by independent qualified valuers using the comparison and depreciated replacement cost methods to reflect their market value.

11 Significant Post Balance Sheet Events

There were no significant events that had arisen subsequent to the end of this current period.

12 Changes in Group Composition

As reported in the previous quarter, the Company had acquired on 10th January 2011, additional 145,000 ordinary shares in First SGC Pte Ltd ("FSGC") representing 4% equity interest for a total cash consideration of S\$1.45 million (amounting to RM3.5 million) from Enlove Pte Ltd, the non-controlling interests of FSGC. This acquisition resulted in an increase to 70% of the Company's equity interest in FSGC which in turn holds 49% in the Group's associated company, Xiamen Maidiken Science & Technology Co Ltd, China.

Other than the above, the Group did not undertake any business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinuation of operations during the period ended 30 June 2011.

13 Changes in Contingent liabilities or Contingent assets.

There were no contingent liabilities or contingent assets of the Group since the end of the last annual balance sheet date.



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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2011 (continued)**

14 Capital Commitments

Capital commitments of property, plant and equipment not provided for in the financial statements as at 30 June 2011 are as follows:

	RM'000
Authorised capital expenditure approved and contracted for	779
Authorised capital expenditure approved but not contracted for	8,847
	<u>9,626</u>

15 Related Party Transactions

There were no related party transactions during the period ended 30 June 2011.

16 Review of Performance

For the six months to June 2011, AHB Group recorded a profit before tax of RM 20.4 million on revenues of RM 182 million. These represent respectively a 27% and 6% growth over the that recorded for the first half of financial year 2010. For the second quarter of 2011, revenue and profit before tax is RM 89 million and RM 8.8 million respectively, which is a growth of 15% and 12% over that achieved for the same period last year.

Carried by the strong sales momentum in the first quarter, Xepa-Soul Pattinson (M) Sdn Bhd achieved record performance levels for both revenue and profit for the first half year. The good performance is attributed to continued strong sales domestically in both the private and public sectors upon the successful outcome of its promotional launches and local trade fairs. Operating synergies were further enhanced with the streamlining of domestic distribution coverage under Apex Pharmacy Marketing Sdn Bhd.

Revenue and profit at Apex Pharmacy Marketing Sdn Bhd likewise grew steadily, with continued good market acceptance of newly launched own-brand products. These include AvoMeter Perfect, a combination blood glucose and total cholesterol meter under the Group's Avo Diagnostics brand. Newly acquired agencies contributed to sustain growth in pharmaceutical distribution operations in Singapore.

17 Material changes in the profit before tax for the quarter

Profit before taxation for the current quarter of RM 8.8 million is lower than the RM 11.6 million achieved in immediate preceding quarter. This is because of lower second quarter revenue compared to the first, attributed to a moderated demand for the Group's products following an exceptionally strong first quarter.

18 Commentary

(a) Prospects

The Group continued to perform well in the second quarter, despite a deteriorating and uncertain global economic outlook. Barring unforeseen circumstances, the Board is cautiously optimistic that the Group's performance for the remaining six months of 2011 will be satisfactory.

(b) Progress to achieve forecast revenue or profit estimate

Not applicable.

19 Statement by the Board of Directors' opinion on the achievability of forecast revenue or profit estimate

Not applicable.

20 Profit Forecast /Profit Guarantee

Not applicable.





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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011  
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**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2011 (continued)**

21 Income Tax Expense

	3 MONTHS ENDED		PERIOD ENDED	
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
	RM'000	RM'000	RM'000	RM'000
In respect of current period:				
income tax	1,934	1,830	4,362	3,517
deferred tax	137	(52)	195	191
	-	-		
	2,071	1,778	4,557	3,708
In respect of prior period:				
income tax	-	-	-	-
deferred tax	-	-	-	-
	2,071	1,778	4,557	3,708

The effective tax rate for the current quarter and financial period was marginally lower than the statutory tax rate principally due to the net of tax profits contributed by the Group's associated company.

22 Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and/or properties during the period ended 30 June 2011.

23 Quoted Securities

- (a) There were no acquisitions or disposals of quoted securities during the period ended 30 June 2011.  
(b) There were no quoted securities held as at 30 June 2011.

24 Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 11th August 2011.

25 Group Borrowings and Debt Securities

	AS AT	
	30/06/2011	31/12/2010
	RM'000	RM'000
Short term bank borrowings		
Secured	-	61
Unsecured	2,267	2,779
Total	2,267	2,840
Long term bank borrowings		
Secured	-	-
Unsecured	5,479	6,612
Total	5,479	6,612
Bank borrowings denominated in foreign currency as at 30 June 2011:	SGD'000	RM'000
Singapore Dollars	-	-

The Group did not have any non-current debt securities denominated in Ringgit Malaysia or foreign currency as at 30 June 2011.



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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

**(THE FIGURES HAVE NOT BEEN AUDITED)**

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2011 (continued)**

26 Derivatives

(a) The Group's derivatives as at 30 June 2011 are as follows -

Type of Derivatives Forward Currency Contracts	Contract / Notional Amount RM'000	Changes in Fair Value	
		Assets RM'000	Liabilities RM'000
Less than 1 year			
Sale of goods	2,195	38	-
Purchase of goods	-	-	-
	2,195	38	-

(b) The Group does not anticipate any market or credit risks arising from these derivatives.

(c) The cash requirements relating to these contracts is RM 2,195,000.

(d) There have been no changes since the end of the previous financial year in respect of the following:

(i) the types of derivative contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;

(ii) the risk management policies in place for mitigating and controlling the risks associated with these derivative contracts; and

(iii) the related accounting policies.

27 Fair Value Changes of Financial Liabilities

As at 30 June 2011, the Group does not have any financial liabilities measured at fair value through profit or loss.

28 Material Litigations

There is no pending material litigation at the date of this report.

29 Dividends

(a) The Board of Directors is pleased to declare the payment of an interim dividend of 5.50 sen gross per share less 25% tax in respect of the financial year ending 31 December 2011, resulting in a total dividend to-date for the current financial year of 5.50 sen gross per share less tax. (Year 2010: Interim tax-exempt dividend of 4.00 sen gross per share).

(b) The interim dividend will be paid on 30 September 2011 and the entitlement date for the payment is 15 September 2011.

30 Earnings per share

		3 MONTHS ENDED		PERIOD ENDED	
		30/06/2011	30/06/2010	30/06/2011	30/06/2010
<b><u>Basic Earnings per share</u></b>					
Profit after tax	RM'000	6,550	5,800	15,451	12,504
Weighted average number of ordinary shares in issue	'000	93,717	93,717	93,717	93,717
Basic earnings per share	sen	<b>6.99</b>	<b>6.19</b>	<b>16.49</b>	<b>13.34</b>
<b><u>Diluted Earnings per share</u></b>					
Profit after tax	RM'000	6,550	5,800	15,451	12,504
Weighted average number of ordinary shares in issue	'000	93,717	93,717	93,717	93,717
Diluted earnings per share	sen	<b>6.99</b>	<b>6.19</b>	<b>16.49</b>	<b>13.34</b>