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PROSPECTUS




KENANGA INVESTMENT BANK BERHAD
 Company No. 10575-B
 A Participating Organisation of Bursa Malaysia Securities Berhad


INTER-PACIFIC
 SECURITIES SDN. BHD.
 (127384-I)
 A Participating Organisation of Bursa Malaysia Securities Berhad

- 10,886,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 5,716,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE ELIGIBLE DIRECTORS, ELIGIBLE EMPLOYEES AND SHAREHOLDERS OF SUBSIDIARIES OF THE CARiNG GROUP;
- 4,200,000 NEW SHARES MADE AVAILABLE FOR BUMIPUTERA INSTITUTIONAL AND SELECTED INVESTORS APPROVED BY THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY; AND
- 14,198,000 NEW SHARES MADE AVAILABLE BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS.

IMPORTANT NOTICE

RESPONSIBILITY STATEMENTS

The Directors and Promoters of our Company have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Kenanga Investment Bank Berhad, being the Principal Adviser, Managing Underwriter, Joint Underwriter and Joint Placement Agent, acknowledges that, based on all available information, and to the best of its knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the IPO (as defined in this Prospectus).

STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia (“SC”) has approved our IPO and a copy of this Prospectus has been registered with the SC. The approval and registration of this Prospectus should not be taken to indicate that the SC recommends the IPO or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment.

The SC is not liable for any non-disclosure on the part of our Company and takes no responsibility for the contents of this Prospectus, makes no representation as to its accuracy or completeness and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Prospectus.

INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN SHOULD CONSULT THEIR STOCKBROKERS, BANK MANAGERS, SOLICITORS, ACCOUNTANTS OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

Approval has been obtained from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing of and quotation for our entire enlarged issued and paid-up share capital comprising ordinary shares of RM1.00 each in our Company (“**Shares**”). Our admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of the IPO, our Company or our Shares.

A copy of this Prospectus, together with the Application Forms (as defined in this Prospectus), has also been lodged with the Registrar of Companies who takes no responsibility for its contents.

OTHER STATEMENTS

Investors are advised to note that recourse for false or misleading statements or acts made in connection with this Prospectus is directly available through Sections 248, 249 and 357 of the *Capital Markets and Services Act 2007* (“**CMSA**”).

Securities listed on Bursa Securities are offered to the public premised on full and accurate disclosure of all material information concerning the issue for which any of the persons set out in Section 236 of the CMSA, e.g. directors and advisers, are responsible.

IMPORTANT NOTICE (Cont'd)

Acceptance of the applications for the Shares being issued/ offered will be conditional upon permission being granted by Bursa Securities for the listing of and quotation for our Shares on the Main Market. Accordingly, all monies paid in respect of any application accepted from you will be returned in full without interest if the application is not made within the third day on which Bursa Securities is open after the date of issue of this Prospectus or the permission is not granted within six (6) weeks from the date of issue of this Prospectus (or such longer period as may be specified by the SC) provided that we are notified by or on behalf of Bursa Securities within the aforesaid timeframe. If any such monies are not returned in full within fourteen (14) days after we become liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

You should not take the agreement by the Joint Underwriters to underwrite the IPO Shares made available for application by the public as an indication of the merits of the securities being issued/ offered for investment.

ELECTRONIC PROSPECTUS/ INTERNET SHARE APPLICATION

This Prospectus can also be viewed or downloaded from the Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus (as defined in this Prospectus) and the copy of this Prospectus registered with the SC are the same.

You may obtain a copy of the Electronic Prospectus (as defined in this Prospectus), from the website of CIMB Investment Bank Berhad at www.eipocimb.com, CIMB Bank Berhad at www.cimbclicks.com.my, Malayan Banking Berhad at www.maybank2u.com.my, Public Bank Berhad at www.pbebank.com, RHB Bank Berhad at www.rhb.com.my, and Affin Bank Berhad at www.affinOnline.com.

You are advised that the Internet is not a fully secured medium, and that your Internet Share Application (as defined in this Prospectus) may be subject to risks in data transmission, computer security threats such as viruses, hackers and crackers, faults with computer software and other events beyond the control of the Internet Participating Financial Institution (as defined in this Prospectus). These risks cannot be borne by the Internet Participating Financial Institution.

If you are in doubt about the validity or integrity of an Electronic Prospectus, you should immediately request from us, our Principal Adviser or the Issuing House, a paper printed copy of this Prospectus. In the event of any discrepancy arising between the contents of the Electronic Prospectus and the paper printed copy of this Prospectus for any reason whatsoever, the contents of the paper printed copy of this Prospectus, which are identical to the copy of the Prospectus registered with the SC, shall prevail.

In relation to any reference in this Prospectus to third party Internet sites (referred to as “**Third Party Internet Sites**”), whether by way of hyperlinks or by way of description of the Third Party Internet Sites, you acknowledge and agree that:

- (i) we do not endorse and are not affiliated in any way with the Third Party Internet Sites. Accordingly, we and our Principal Adviser are not responsible for any availability of, or the content or any data, files or other materials provided on the Third Party Internet Sites. You bear all risks associated with the access to or use of the Third Party Internet Sites;
- (ii) we are not responsible for the quality of products or services in the Third Party Internet Sites, particularly in fulfilling any of the terms of any of your agreements with the Third Party Internet Sites. We and our Principal Adviser are also not responsible for any loss or damage or cost that you may suffer or incur in connection with or as a result of dealing with the Third Party Internet Sites or the use of or reliance on any data, files or materials provided by such parties; and

IMPORTANT NOTICE (*Cont'd*)

- (iii) any data, information, files or other materials downloaded from the Third Party Internet Sites is done at your discretion and risk. We are not responsible, liable or under obligations for any damage to your computer system or loss of data resulting from the downloading of any such data, information, files or other materials.

Where an Electronic Prospectus is hosted on the website of the Internet Participating Financial Institution, you are advised that:

- (i) the Internet Participating Financial Institution is only liable in respect of the integrity of the contents of an Electronic Prospectus, to the extent that the content of the Electronic Prospectus situated on the web server of the Internet Participating Financial Institution which may be viewed via your web browser or other relevant software. The Internet Participating Financial Institution shall not be responsible in any way for the integrity of the contents of an Electronic Prospectus, which has been obtained from the web server of the Internet Participating Financial Institution, and subsequently communicated or disseminated in any manner to you or other parties; and
- (ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of the Electronic Prospectus cannot be guaranteed because the Internet is not a fully secured medium.

The Internet Participating Financial Institution is not liable (whether in tort or contract or otherwise) for any loss, damage or costs, you or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracy, change, alteration, deletion or omission in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault with web browser or other relevant software, any fault on your or any third party's personal computer, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the website of the Internet Participating Financial Institution, and/or problems occurring during data transmission, which may result in inaccurate or incomplete copies of information being downloaded or displayed on your personal computer.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

This Prospectus is published solely in connection with our IPO. The securities being offered in the IPO are offered solely on the basis of the information contained and representations made in this Prospectus. Neither our Company nor our Principal Adviser had authorised anyone to provide any information or to make any representation not contained in this Prospectus, and any information or representation not contained in this Prospectus must not be relied upon as having been authorised by us, our Principal Adviser, our Managing Underwriter, Joint Underwriters, our Joint Placement Agents, any of their respective directors, or any other person involved in our IPO.

This Prospectus has been prepared in the context of an IPO under the laws of Malaysia. The distribution of this Prospectus and our IPO are subject to the laws of Malaysia. This Prospectus will not be distributed outside Malaysia. Our Company and our Principal Adviser have not authorised and take no responsibility for the distribution of this Prospectus outside Malaysia. No action has been taken to permit a public offering of our Shares in any jurisdiction other than Malaysia. Accordingly, this Prospectus may not be used for the purpose of and does not constitute an offer for subscription or purchase or invitation to subscribe or purchase, any IPO Shares (as defined in this Prospectus) in any jurisdiction in which such offer or invitation in any jurisdiction or in any circumstances in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the sale of our IPO Shares in certain other jurisdictions may be restricted by law. Persons who may be in possession of this Prospectus are required to inform themselves of and to observe such restrictions.

IMPORTANT NOTICE *(Cont'd)*

We will not, prior to acting on any acceptance in respect of the IPO, make or be bound to make any enquiry as to whether you have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any enquiry or investigation is made in connection therewith.

It shall be your sole responsibility if you are or may be subject to the laws of countries or jurisdictions other than Malaysia, to consult your legal and/or other professional advisers as to whether the IPO would result in the contravention of any law of such countries or jurisdictions.

Further, it shall also be your sole responsibility to ensure that your application for the IPO Shares would be in compliance with the terms of the IPO as stated in this Prospectus and the Application Forms and would not be in contravention of any law of countries or jurisdictions other than Malaysia to which you may be subjected to. We will further assume that you have accepted the IPO in Malaysia and will at all applicable time be subjected only to the laws of Malaysia in connection therewith. However, we reserve the right, in our absolute discretion to treat any acceptance as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

We will not take any action to ensure that this Prospectus complies with the laws of any countries or jurisdiction other than the laws of Malaysia. It is your sole responsibility to consult you legal and/or other professional advisers on the applicable laws that you are or might be subjected to. Neither we nor our Principal Adviser will accept any responsibility or liability if your application becomes illegal, unenforceable, voidable or void in any country or jurisdiction.

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IMPORTANT DATES

The indicative timing of events leading up to the listing of and quotation for our Company's entire enlarged issued and paid-up share capital on the Main Market is set out below:

| Event | Tentative Date |
|--|----------------------------|
| Opening of application for the IPO Shares | 18 October 2013 at 10.00am |
| Closing of application for the IPO Shares | 30 October 2013 at 5.00pm |
| Balloting Date of application | 1 November 2013 |
| Allotment of the IPO Shares to successful applicants | 11 November 2013 |
| Listing of our entire enlarged issued and paid-up share capital on the Main Market | 13 November 2013 |

SAVE FOR THE OPENING DATE OF THE APPLICATION FOR THE IPO SHARES, THE DATES ABOVE ARE TENTATIVE AND ARE SUBJECT TO CHANGES WHICH MAY BE NECESSARY TO FACILITATE IMPLEMENTATION PROCEDURES.

APPLICATIONS FOR THE IPO SHARES WILL BE ACCEPTED FROM 10:00 A.M. ON 18 OCTOBER 2013 AND WILL REMAIN OPEN UNTIL 5:00 P.M. ON 30 OCTOBER 2013 OR SUCH LATER DATE OR DATES AS OUR BOARD, PROMOTERS AND THE JOINT UNDERWRITERS AT THEIR ABSOLUTE DISCRETION MAY JOINTLY DECIDE.

SHOULD THE DATE OF CLOSING OF APPLICATION FOR THE IPO SHARES BE EXTENDED, THE DATES FOR BALLOTING, DESPATCH OF NOTICES OF ALLOTMENT TO SUCCESSFUL APPLICANTS AND LISTING OF OUR ENTIRE ENLARGED ISSUED AND PAID-UP SHARE CAPITAL ON THE MAIN MARKET OF BURSA SECURITIES WILL BE EXTENDED ACCORDINGLY. IN THE EVENT THE DATE OF THE CLOSING OF APPLICATION FOR THE IPO SHARES IS EXTENDED, THE PUBLIC WILL BE NOTIFIED OF SUCH EXTENSION BY WAY OF ADVERTISEMENTS PLACED IN WIDELY CIRCULATED ENGLISH AND BAHASA MALAYSIA DAILY NEWSPAPERS WITHIN MALAYSIA PRIOR TO THE ORIGINAL CLOSING DATE.

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PRESENTATION OF FINANCIAL AND OTHER INFORMATION

All references to “Company” in this Prospectus is to Caring Pharmacy Group Berhad, references to “Group” are to our Company and our subsidiaries, and references to “we”, “us”, “our” and “ourselves” are to our Company, and, save where the context otherwise requires, our subsidiaries. Unless the context otherwise requires, references to “Management” are to our Executive Directors and key management as at the date of this Prospectus, and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

In this Prospectus, references to the “Government” are to the Government of Malaysia; references to “Ringgit”, “Malaysian Ringgit”, “RM” and “sen” are to the lawful currency of Malaysia.

Certain abbreviations, acronyms and technical terms used are defined in “Definitions” appearing after this section. Words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include companies and corporations.

All reference to dates and times are references to dates and times in Malaysia.

Any reference in this Prospectus and the Application Forms to any legislation or statute or any provisions of any statutes, rules, regulations, enactment or rules of stock exchange is a reference to that legislation or statute or provisions of such statutes, rules, regulations, enactment or rules of stock exchange (as the case may be) as for the time being amended, supplemented or re-enacted.

This Prospectus includes statistical data provided by the Management and various third parties and cites third party projections regarding growth and performance of the industry in which our Group operates. This data is taken or derived from information published by industry sources and from the internal data. In such case, the source is stated in this Prospectus, provided that where no source is stated, it can be assumed that the information originates from us. Certain information in this Prospectus is extracted or derived from report(s) prepared by various third parties. In particular, certain information in this Prospectus is extracted or derived from report(s) prepared by Vital Factor (as defined in this Prospectus), i.e. the independent business and market research consultants for inclusion in this Prospectus. We had appointed Vital Factor to provide an independent industry research report relating to an overview of the economy and industry in which we operate. In compiling their data for the review, Vital Factor relied on industry sources, published materials, its own private databanks and direct contacts within the industry. We believe that the information on the industry as contained in this Prospectus and the other statistical data and projections cited in this Prospectus are useful in helping prospective investors understand the major trends in the industry in which we operate.

However, neither we nor our Principal Adviser has independently verified these data and we do not make any representation as to the correctness, accuracy or completeness of such data. Similarly, third-party projections, including projections from Vital Factor, cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the projected figures. You should not place undue reliance on the statistical data and the third-party projections cited in this Prospectus.

The information on our website, or any website directly or indirectly linked to our website does not form part of this Prospectus and you should not rely on it.

If there are any discrepancies or inconsistencies between the English and the Bahasa Malaysia versions of this Prospectus, the English version shall prevail.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than those of historical facts included in this Prospectus, including, without limitation, those regarding our Group's financial position, business strategies, plans and objectives of our Management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors which may cause our actual results, our performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our Group's present and future business strategies and the environment in which our Group will operate in the future. Such forward-looking statements reflect our Management's current view with respect to future event and are not a guarantee of future performance.

Some of these forward-looking statements can be identified by the use of forward-looking terminology such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "intend", "estimate", "aim", "plan", "forecast", or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- (i) demand for our services;
- (ii) our business strategies;
- (iii) plans and objectives of our Management for future operations and services;
- (iv) our financial positions; and
- (v) our future earnings, cash flows and liquidity.

Our actual results may differ materially from information contained in such forward-looking statements as a result of a number of factors beyond our control, including, without limitations:

- (i) the economic, political and investment environment in Malaysia and globally; and
- (ii) government policy, legislation or regulation.

Additional factors that could cause our actual results, performance or achievement to differ materially include, but are not limited to those discussed in **Section 4 – "Risk Factors"** and **Section 11.4 – "Management's Discussion and Analysis of Financial Condition, Results of Operations and Prospects"** of this Prospectus. Due to these and other uncertainties, we cannot assure you that the forward-looking statements included in this Prospectus will be realised.

The forward-looking statements in this Prospectus are based on information available to us as at LPD and/or any other date as indicated in the relevant section. We expressly disclaim any obligation or undertaking to release publicly any update or revision to any forward-looking statement contained in this Prospectus to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

You will be deemed to have read and understood the descriptions of the assumptions and uncertainties underlying the forward-looking statements that are contained herein.

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DEFINITIONS

The following terms shall apply throughout this Prospectus unless otherwise defined or the context requires otherwise:

| | |
|-----------------------------|---|
| AAGR | : Average annual growth rate |
| Acquisition | : The acquisition by our Company of the entire issued and paid-up share capital of CPRM comprising 2,310,918 ordinary shares of RM1.00 each for a purchase consideration of RM182,706,397 satisfied by the issuance of 182,706,397 new Shares credited as fully paid-up at an issue price of RM1.00 per Share |
| Act | : The Companies Act, 1965, as amended from time to time, and any re-enactment thereof |
| ADA | : Authorised Depository Agent |
| ADA Code | : ADA (Broker) Code |
| Admission | : Admission of our Shares to the Official List of the Main Market of Bursa Securities |
| Application Form(s) | : The printed application form(s) for the applications of the IPO Shares |
| Articles | : Articles of Association of our Company |
| ATM | : Automated Teller Machine |
| Audit Committee | : Our audit committee as at the LPD, the members of which are set out in Section 1 of this Prospectus |
| Authorised Depository Agent | : A person appointed by Bursa Depository under the Rules |
| Board | : The Board of Directors of our Company |
| Bursa Depository | : Bursa Malaysia Depository Sdn. Bhd. |
| Bursa Securities | : Bursa Malaysia Securities Berhad |
| CAGR | : Compounded annual growth rate |
| CARiNG or Company | : Caring Pharmacy Group Berhad |
| CARiNG Group or the Group | : CARiNG and its group of subsidiaries |
| CARiNG Joint Venture Scheme | : Joint venture arrangements between CPRM and individual business partners who are branch managers and registered pharmacists to set up new subsidiaries to undertake operation of community pharmacy under the "CARiNG" brand |
| CARiNG Shares or Shares | : Ordinary shares of RM1.00 each in CARiNG |
| CDS | : Central Depository System |
| CDS Account(s) | : An account established with Bursa Depository by a Depositor for the recording of deposits of securities and for dealings in such securities by the Depositor |

DEFINITIONS *(Cont'd)*

| | | |
|---|---|--|
| CMSA | : | The Capital Markets and Services Act 2007, as amended from time to time, and any re-enactment thereof |
| Cosway | : | Cosway (M) Sdn Bhd |
| CPRM Group | : | Caring Pharmacy Retail Management Sdn Bhd and its subsidiaries |
| CPH | : | Caring Pharmacy Holdings Sdn Bhd |
| Depositor | : | A holder of a CDS Account |
| Director(s) | : | A natural person(s) who holds a directorship in an executive or non-executive capacity in our Company |
| EBITDA | : | Earnings before interests, taxation, depreciation and amortisation |
| Electronic Prospectus | : | Copy of this Prospectus that is issued, circulated or disseminated via the Internet, and/or an electronic storage medium, including but not limited to CD-ROMs or floppy disks |
| Electronic Share Application | : | Application for the IPO Shares through a Participating Financial Institution's ATM |
| EPS | : | Earnings per Share |
| Equity Guidelines | : | The Equity Guidelines issued by the SC, as amended from time to time |
| Executive Directors | : | Our executive directors, namely Mr Chong Yeow Siang, Mr Soo Chan Chiew and Mr Tan Lean Boon |
| Financial Years Under Review | : | FYE 2010, FYE 2011, FYE 2012 and FYE 2013 |
| FYE | : | Financial year ended/ending 31 May |
| GP | : | Gross profit |
| IMR Report | : | The Independent Market Research Report prepared by Vital Factor |
| Internet Participating Financial Institution(s) | : | The participating organisation(s) for the Internet Share Application as listed in Section 15 of this Prospectus |
| Internet Share Application | : | Application for the IPO Shares through an Internet Participating Financial Institution |
| IPO | : | The initial public offering for the IPO Shares in conjunction with our Listing |
| IPO Price | : | RM1.25 per IPO Share |
| IPO Shares | : | New CARiNG Shares to be issued pursuant to the Public Issue |
| Issuing House or Equiniti | : | Equiniti Services Sdn Bhd |
| Jitumaju | : | Jitumaju Sdn Bhd |
| Joint Placement Agents | : | KIBB and MIDF Amanah Investment Bank Berhad |
| Joint Underwriters | : | KIBB and Inter-Pacific Securities Sdn Bhd |

DEFINITIONS *(Cont'd)*

| | | |
|---|---|--|
| JVA | : | Joint venture agreements executed pursuant to the CARiNG Joint Venture Scheme |
| KIBB or Principal Adviser or Managing Underwriter or Joint Underwriter or Joint Placement Agent | : | Kenanga Investment Bank Berhad |
| Listing | : | Our admission to the Official List and the listing of and quotation for our entire enlarged issued and paid-up share capital of RM217,706,400 comprising 217,706,400 Shares on the Main Market of Bursa Securities |
| Listing Requirements | : | The Main Market Listing Requirements of Bursa Securities |
| Listing Scheme | : | The Acquisition, Public Issue and Listing collectively |
| LPD | : | 6 September 2013, being the latest practicable date prior to the date of this Prospectus |
| Main Market | : | Main Market of Bursa Securities |
| Market Day | : | Any day between Monday and Friday (inclusive of both days) which is not a public holiday and on which Bursa Securities is open for the trading of securities |
| MI | : | Minority interests (also known as “non-controlling interests”) |
| MITI | : | Ministry of International Trade and Industry |
| Motivasi Optima | : | Motivasi Optima Sdn Bhd |
| NA | : | Net assets |
| NBV | : | Net book value |
| NL | : | Net liabilities |
| Nomination Committee | : | Our nomination committee as at the LPD, the members of which are set out in Section 1 of this Prospectus |
| NTA | : | Net tangible assets |
| NTL | : | Net tangible liabilities |
| Official List | : | A list specifying all securities which have been admitted for listing on Bursa Securities and not removed |
| Participating Financial Institution(s) | : | Participating financial institution(s) for Electronic Share Application as listed in Section 15 of this Prospectus |
| PAT | : | Profit after taxation |
| PATAMI | : | Profit after taxation and minority interests |
| PBT | : | Profit before taxation |
| PBTAMI | : | Profit before taxation and after minority interests |

DEFINITIONS *(Cont'd)*

| | |
|-------------------------|--|
| PE Multiple | : Price-to-earnings multiple |
| Pink Form Shares | : The 5,716,000 IPO Shares of our Company representing approximately 2.63% of our enlarged issued and paid-up share capital at the IPO Price to the eligible Directors, eligible employees and shareholders of subsidiaries of the CARiNG Group |
| Placement Shares | : The 14,198,000 IPO Shares representing 6.52% of the enlarged issued and paid-up share capital of CARiNG which is the subject of the Private Placement |
| Private Placement | : The private placement of the Placement Shares by the Placement Agent to selected investors on our behalf for subscription at the IPO Price |
| Promoters | : Jitumaju and Motivasi Optima |
| Prospectus | : This prospectus dated 18 October 2013 issued by our Company in relation to the IPO |
| Public | : Individuals, companies, societies, co-operatives and institutions including all persons and members of the public but excluding the Directors or Substantial Shareholders and persons connected or associated with them (as defined in the Listing Requirements) |
| Public Issue | : Public Issue of 35,000,000 IPO Shares at the IPO Price, representing approximately 16.08% of the enlarged issued and paid-up share capital of CARiNG, to be allocated in the following manner: <ul style="list-style-type: none"> (i) 10,886,000 IPO Shares made available for application by the Malaysian Public; (ii) 5,716,000 IPO Shares made available for application by the eligible Directors, eligible employees and shareholders of subsidiaries of the CARiNG Group; (iii) 4,200,000 IPO Shares made available for Bumiputera Institutional and selected investors approved by the MITI; and (iv) 14,198,000 IPO Shares made available by way of Private Placement |
| Remuneration Committee | : Our remuneration committee as at the LPD, the members of which are set out in Section 1 of this Prospectus |
| RM and Sen | : Ringgit Malaysia and sen respectively |
| ROC | : Registrar of Companies |
| SC | : Securities Commission Malaysia |
| Sq ft | : Square feet |
| Substantial Shareholder | : Person who has an interest in our Shares, the nominal amount of which is not less than 5% of the aggregate nominal amount of all the voting shares of our Company |
| TSVT | : Tan Sri Dato' Seri Vincent Tan Chee Yioun |

DEFINITIONS *(Cont'd)*

Underwriting Agreement : The underwriting agreement dated 1 October 2013 entered into between our Company and the Joint Underwriters for the underwriting of 15,151,500 IPO Shares upon the terms and subject to the conditions contained therein

Vendors : Motivasi Optima, Jitumaju, Dato' Ismail Bin Osman, Datuk Seri Syed Ali Bin Tan Sri Syed Abbas Al Habshee, Datuk Lye Ek Seang and Encik Arsam Bin Damis collectively

Vital Factor : Vital Factor Consulting Sdn Bhd

Wholly-owned subsidiary of CARiNG

CPRM : Caring Pharmacy Retail Management Sdn Bhd

Wholly-owned subsidiaries of CARiNG vide CPRM

Caring (MSF) : Caring Pharmacy (MSF) Sdn Bhd

Caring (SW) : Caring Pharmacy (SW) Sdn Bhd

Caring eStore : Caring Pharmacy Estore Sdn Bhd

Caring Help : Caring Pharmacy Help Sdn Bhd

CPSB : Caring Pharmacy Sdn Bhd

Miracle Cure : Miracle Cure Caring Sdn Bhd

UC Venture : United Caring Venture Sdn Bhd

Viva Caring : Viva Caring Sdn Bhd

Partially-owned subsidiaries of CARiNG vide CPRM

Ace Caring : Ace Caring Pharmacy Sdn Bhd

Be Caring : Be Caring Sdn Bhd

Caring Belle : Caring Belle Sdn Bhd

Caring Health Solutions : Caring Health Solutions Sdn Bhd

Caring 'N' You : Caring 'N' You Pharmacy Sdn Bhd

Caring (ABM) : Caring Pharmacy (ABM) Sdn Bhd

Caring (AMC) : Caring Pharmacy (AMC) Sdn Bhd

Caring (Ampang) : Caring Pharmacy (Ampang) Sdn Bhd

Caring (IDR) : Caring Pharmacy (IDR) Sdn Bhd

Caring (JB Molek) : Caring Pharmacy (JB Molek) Sdn Bhd

Caring (Kinrara) : Caring Pharmacy (Kinrara) Sdn Bhd

Caring (KLP) : Caring Pharmacy (KLP) Sdn Bhd

DEFINITIONS (*Cont'd*)

| | | |
|--------------------|---|-------------------------------------|
| Caring (Lifeplus) | : | Caring Pharmacy (Lifeplus) Sdn Bhd |
| Caring (Puchong) | : | Caring Pharmacy (Puchong) Sdn Bhd |
| Caring (Shah Alam) | : | Caring Pharmacy (Shah Alam) Sdn Bhd |
| Caring (SK) | : | Caring Pharmacy (SK) Sdn Bhd |
| Caring Always | : | Caring Pharmacy Always Sdn Bhd |
| Caring Paradise | : | Caring Pharmacy Paradise Sdn Bhd |
| Caring Rising | : | Caring Pharmacy Rising Sdn Bhd |
| Caring Trinity | : | Caring Trinity Sdn Bhd |
| Caring Trio | : | Caring Trio Sdn Bhd |
| Cosy Vision | : | Cosy Vision Sdn Bhd |
| Fuji Acre | : | Fuji Acre Sdn Bhd |
| Green Surge | : | Green Surge Sdn Bhd |
| Living Glory | : | Living Glory Sdn Bhd |
| Mega Caring | : | Mega Caring Sdn Bhd |
| MN Pharmacy | : | MN Pharmacy Sdn Bhd |
| My Caring | : | My Caring Pharmacy Sdn Bhd |
| One Caring | : | One Caring Pharmacy Sdn Bhd |
| Preciouslife | : | Preciouslife Pharmacy Sdn Bhd |
| Stay Caring | : | Stay Caring Sdn Bhd |
| Sterling Pharmacy | : | Sterling Pharmacy Sdn Bhd |
| Tonic Pharma | : | Tonic Pharma Sdn Bhd |
| URX Care | : | United RX Care Sdn Bhd |
| Vertex Pharmacy | : | Vertex Pharmacy Sdn Bhd |
| Victorie Caring | : | Victorie Caring Sdn Bhd |

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INDUSTRY AND TECHNICAL ABBREVIATIONS AND DEFINITION

| | | |
|-------------------------------------|---|---|
| Active ingredient | : | One or more substances in a product that are directly responsible for the product's intended effect |
| Colour cosmetic | : | Topical preparation that use colour additives in combination with other substances to beautify the external surface of the body including face, lips, eye areas and nails |
| Community pharmacy | : | A physical store retailing pharmaceutical products where at least one pharmacist who is licensed to dispense scheduled drugs is available in the premises. Generally a community pharmacy also retails non-pharmaceutical products including, among others, personal care and food items, as well as medical and healthcare devices |
| Drugs | : | Pharmaceutical products |
| Fast moving consumer goods ("FMCG") | : | Broadly defined as mass produced consumer goods that are non-durable, relatively low cost and are consumed or used frequently by consumers or households. However, it is common for FMCG to also refer to packaged and branded products. This effectively excludes fresh food and produce without packaging, as well as bulk goods and commodities sold in loose form |
| Group B drugs | : | Drugs that are only available to the public through a registered medical practitioner or through a licensed pharmacist in accordance to a prescription by a registered medical practitioner |
| Group C drugs | : | Drugs that are only available to the public through a registered medical practitioner or through a licensed pharmacist, with or without a prescription by a registered medical practitioner |
| Health supplement | : | Products that are intended to supplement the diet with one or more dietary substances, to maintain or improve the healthy functioning of the human body. They include vitamins, minerals, fibre, amino acids, fatty acids and other extracts from plants and animals. Health supplement is sometimes referred to as dietary supplement, food supplement or nutritional supplement |
| Healthcare institution | : | Premises with facilities and medical practitioners for the treatment and diagnosis of diseases, injuries, illnesses and other physical or mental impairments in humans. Healthcare institution includes, among others, clinic, hospital, medical centre and hospice in the public and private sectors |
| Licensed pharmacist | : | A registered pharmacist who is the holder of a Pharmacist's Poisons Licence (Type A Licence) issued to him or her under Poisons Act 1952 (Revised – 1989) |
| Over-the-Counter (OTC) drugs | : | Medicinal products that are made available to the public without the need for professional supervision or prescription. These drugs are commonly used for self-medication to treat minor ailments and conditions |
| Partially-owned community pharmacy | : | A community pharmacy operated by one of our partially-owned subsidiaries in which CARiNG Group has a shareholding of 50% or more but less than 100% |
| Pharmaceutical dosage | : | A specific amount of pharmaceutical product prescribed by a medical practitioner or recommended on the label of any OTC drugs to be taken at a given time period. Pharmaceutical dosage normally comes in the form of pills, capsules, tablets, liquids or powder |

INDUSTRY AND TECHNICAL ABBREVIATIONS AND DEFINITION *(Cont'd)*

| | | |
|---------------------------------|---|--|
| Pharmaceutical products | : | Any substance or mixture of substances that are intended to be used for medicinal or health purposes. They include scheduled drugs, OTC drugs, health supplements and traditional medicine. In this Prospectus, pharmaceutical products are also known as drugs or medicines. Some of the pharmaceutical products are classified as poisons, under the Poison Act 1952 (Revised – 1989) |
| Pharmacist's Poisons Licence | : | Type A Licence issued by the Pharmaceutical Services Division under the Ministry of Health to a pharmacist to import, store and deal generally by wholesale or retail or both for all poisons under the Poisons Act 1952 (Revised – 1989) |
| Poison | : | Scheduled drugs |
| Psychotropic | : | A type of drugs intended for altering the mental functioning of a person including his or her emotion, behaviour and perception |
| Prescription | : | A written instruction prepared by a medical practitioner for the supply of scheduled drugs |
| Registered pharmacist | : | A pharmacist registered with the Pharmacy Board under the Registration of Pharmacists Act 1951 (Revised – 1989) |
| Scheduled drugs | : | In the context of this Prospectus and in accordance with the Poisons Act 1952 (Revised – 1989), scheduled drugs are classified as poisons in Malaysia. Scheduled drugs may or may not require a prescription from a medical practitioner before it is dispensed by a licensed pharmacist |
| Specialised retail centre | : | Retailers that carry a wide range of products under one roof. These retailers commonly act as one-stop centres for the retail sales of food and/or household products. Some examples of specialised retail centres include, among others, hypermarkets, supermarkets and departmental stores. In the context of this Prospectus, specialised retail centres mainly refer to hypermarkets |
| Traditional medicine | : | Products consisting of one or more naturally occurring substances of a plant, mineral or animal, or parts in dried, unextracted or crude extract form primarily for the diagnosis, treatment or prevention of a disease or ailment, or for maintaining or improving the health and wellbeing of a person. Traditional medicine also includes homeopathic medicines, which are used to induce symptoms similar to the disease to be treated, which would stimulate the body to counter the original disease. Some traditional medicines are also considered as health supplements |
| Wholly-owned community pharmacy | : | A community pharmacy operated by one of our wholly-owned subsidiaries |

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1. CORPORATE DIRECTORY**BOARD OF DIRECTORS**

| Name/Designation | Address | Occupation | Nationality |
|---|---|-------------------|--------------------|
| Datin Sunita Mei-Lin Rajakumar (Independent Non-Executive Chairman) | 22, Jalan Kent 1 Jalan Semarak 54000 Kuala Lumpur | Company Director | Malaysian |
| Chong Yeow Siang (Managing Director) | 21, Jalan BU 2/6 Bandar Utama Damansara 47400 Petaling Jaya Selangor Darul Ehsan | Company Director | Malaysian |
| Soo Chan Chiew (Executive Director) | 5, Jalan 4/37 46050 Petaling Jaya Selangor Darul Ehsan | Company Director | Malaysian |
| Tan Lean Boon (Executive Director) | 32, Jalan BRP 7/1B Bukit Rahman Putra 47400 Sg. Buloh Selangor Darul Ehsan | Company Director | Malaysian |
| Ang Khoon Lim (Non-Independent Non-Executive Director) | 157, Jalan Kinrara Taman Kinrara Batu 7 Jalan Puchong 58200 Kuala Lumpur | Company Director | Malaysian |
| Tan Sri Dato' Haji Mohd Ariffin Bin Mohd Yusuf (Independent Non-Executive Director) | 5, Jalan Beka Damansara Heights 50490 Kuala Lumpur | Company Director | Malaysian |

AUDIT COMMITTEE

| Name | Designation | Directorship |
|---|--------------------|--|
| Datin Sunita Mei-Lin Rajakumar | Chairman | Independent Non-Executive Director |
| Tan Sri Dato' Haji Mohd Ariffin Bin Mohd Yusuf | Member | Independent Non-Executive Director |
| Ang Khoon Lim | Member | Non-Independent Non-Executive Director |

NOMINATION COMMITTEE

| Name | Designation | Directorship |
|---|--------------------|--|
| Tan Sri Dato' Haji Mohd Ariffin Bin Mohd Yusuf | Chairman | Independent Non-Executive Director |
| Datin Sunita Mei-Lin Rajakumar | Member | Independent Non-Executive Director |
| Ang Khoon Lim | Member | Non-Independent Non-Executive Director |

1. CORPORATE DIRECTORY *(Cont'd)***REMUNERATION COMMITTEE**

| Name | Designation | Directorship |
|---|--------------------|--|
| Datin Sunita Mei-Lin Rajakumar | Chairman | Independent Non-Executive Director |
| Tan Sri Dato' Haji Mohd Ariffin Bin Mohd Yusuf | Member | Independent Non-Executive Director |
| Ang Khoon Lim | Member | Non-Independent Non-Executive Director |

COMPANY SECRETARY : Pang Kah Man (MIA 18831)
No. 3-2, 3rd Mile Square
No. 151, Jalan Kelang Lama
Batu 3½
58100 Kuala Lumpur
Telephone No. : (603) 7987 5300

REGISTERED OFFICE : No. 3-2, 3rd Mile Square
No. 151, Jalan Kelang Lama
Batu 3½
58100 Kuala Lumpur
Telephone No. : (603) 7987 5300
Facsimile No. : (603) 7987 5200

**HEAD OFFICE/ PRINCIPAL
PLACE OF BUSINESS** : No. 8B, Jalan 1/137C
Bedford Business Park
Off Jalan Klang Lama
58000 Kuala Lumpur
Telephone No. : (603) 7782 1988
Facsimile No. : (603) 7785 1928
Website : www.caring2u.com.my

**AUDITORS AND REPORTING
ACCOUNTANTS** : Crowe Horwath (AF1018)
No. 52, Jalan Kota Laksamana 2/15
Taman Kota Laksamana
Seksyen 2
75200 Melaka
Telephone No. : (606) 282 5995

SOLICITORS FOR THE IPO : Messrs. Lee Choon Wan & Co
Advocates & Solicitors
No. 12, Lorong Dungun
Damansara Heights
50490 Kuala Lumpur
Telephone No. : (603) 2093 0078

PRINCIPAL BANKERS
(in alphabetical order) : HSBC Amanah Malaysia Berhad
17-23, Jalan Sultan
46200 Petaling Jaya
Selangor Darul Ehsan
Telephone No. : (603) 2075 7638

Public Bank Berhad
OUG Branch
3 & 5, Medan Hujan Rahmat
Taman Overseas Union
58200 Kuala Lumpur
Telephone No. : (603) 7785 6409

1. CORPORATE DIRECTORY (Cont'd)

| | |
|---|---|
| ISSUING HOUSE | : Equiniti Services Sdn Bhd Level 8, Menara MIDF 82, Jalan Raja Chulan 50200 Kuala Lumpur Telephone No. : (603) 2166 0933 Facsimile No.: (603) 2166 0688 |
| SHARE REGISTRAR | : Berjaya Registration Services Sdn Bhd Lot 06-03 Level 6, East Wing Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Telephone No. : (603) 2145 0533 Facsimile No. : (603) 2145 9702 |
| PRINCIPAL ADVISER AND MANAGING UNDERWRITER | : Kenanga Investment Bank Berhad 801, 8 th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Telephone No. : (603) 2027 5555 |
| JOINT UNDERWRITERS | : Kenanga Investment Bank Berhad 801, 8 th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Telephone No. : (603) 2027 5555 MIDF Amanah Investment Bank Berhad Level 8, 9, 10, 11 & 12 Menara MIDF 82, Jalan Raja Chulan 50200 Kuala Lumpur Telephone No. : (603) 2173 8888 |
| JOINT PLACEMENT AGENTS | : Kenanga Investment Bank Berhad 801, 8 th Floor, Kenanga International Jalan Sultan Ismail 50250 Kuala Lumpur Telephone No. : (603) 2027 5555 Inter-Pacific Securities Sdn Bhd Level 13, West Wing, Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Telephone No. : (603) 2117 1888 |
| INDEPENDENT BUSINESS AND MARKET RESEARCH CONSULTANTS | : Vital Factor Consulting Sdn Bhd 75C & 77C, Jalan SS22/19 Damansara Jaya 47400 Petaling Jaya Selangor Darul Ehsan Telephone No. : (603) 7728 0248 |
| LISTING SOUGHT | : Main Market of Bursa Securities |

2. INFORMATION SUMMARY

THIS INFORMATION IS ONLY A SUMMARY OF THE SALIENT INFORMATION ABOUT OUR GROUP. YOU SHOULD READ AND UNDERSTAND THE WHOLE PROSPECTUS PRIOR TO DECIDING WHETHER OR NOT TO INVEST IN OUR SHARES. THE SUMMARY INFORMATION SET OUT BELOW IS DERIVED FROM THIS PROSPECTUS AND SHOULD BE READ IN CONJUNCTION WITH THE FULL TEXT OF THIS PROSPECTUS.

2.1 BRIEF BUSINESS OVERVIEW OF OUR GROUP

Our Company was incorporated in Malaysia on 30 July 2012 under the Act as a private limited company under the name Caring Pharmacy Group Sdn Bhd and was subsequently converted to a public limited company on 24 October 2012 to facilitate the Listing of our Group on the Main Market.

We are a primarily an operator of a chain of community pharmacies under the brand of 'CARiNG' in Malaysia.

As a retail operator, CARiNG undertakes retail sales of pharmaceutical products which include scheduled drugs, OTC drugs and health supplements, and also non-pharmaceutical products like personal care products, medical and healthcare devices, health food, confectionery, beverages, and household products. Our chain of community pharmacies includes wholly-owned and partially-owned outlets.

The history of our business can be traced back to 1994 with the opening of our first 'CARiNG' community pharmacy in Taman Muda, Cheras, Kuala Lumpur.

As part of our plans to expand our market coverage, we launched our Caring Joint Venture Scheme in 2000, which enabled our pharmacists in branch manager positions with at least one year of working experience in our 'CARiNG' community pharmacy to participate as business partners in operating community pharmacies under the brand of 'CARiNG'. The criteria considered in selecting business partners are further set out in Section 6.2.1. The joint venture arrangements are formalised through the setting up of a company which is referred to as "partially-owned subsidiary". Hence, community pharmacies set up by the partially-owned subsidiaries are referred to as partially-owned community pharmacies.

As at LPD, we have a total of 85 community pharmacies operating under the name of 'CARiNG'. Of these, 26 are wholly-owned and 59 partially-owned community pharmacies and are located in Selangor, Kuala Lumpur, Johor, Melaka, Perak and Penang.

Since we started our business in 1994, we have established ourselves as a reputable operator of chain community pharmacies in Malaysia under the 'CARiNG' brand. For the FYE 2013, we achieved revenue of RM301.42 million.

CARiNG Group is currently led by our Managing Director, Mr Chong Yeow Siang, who has been instrumental in developing the strategic direction of our Group, bringing with him approximately 20 years of experience as a pharmacist. He is supported by our Executive Directors, Mr Soo Chan Chiew and Mr Tan Lean Boon, both with their extensive experience as pharmacists, have contributed significantly to the development, growth, and success of our Group.

Our head office with warehousing facilities is now located in Old Klang Road, Kuala Lumpur.

As at LPD, neither our Company nor our subsidiaries are involved in any bankruptcy, receivership or similar proceedings.

Save as disclosed above and in Section 5 in this Prospectus, in the course of our Group's history, there were no material changes in the mode of conducting our Group's business and there were no material changes in the types of products offered or services rendered, and there were no acquisitions or disposals of material assets other than in the ordinary course of business.

Further details on the history and business of our Group are set out in Section 5.2 of this Prospectus.

2. INFORMATION SUMMARY (Cont'd)

2.2 OUR COMPETITIVE ADVANTAGES AND KEY STRENGTHS

Our Directors believe that our competitive advantages and key strengths are as follows:

- (i) Large chain of community pharmacies;
- (ii) Established brand name and reputation;
- (iii) Economies of scale;
- (iv) Management control and ownership of our community pharmacies;
- (v) Pharmacists as business partners and shareholders;
- (vi) Full time pharmacist service at every outlet; and
- (vii) Professional and experienced management team with proven track record of delivering sustainable growth and profitability.

Further details on our competitive advantages and key strengths are set out in Section 6.2 of this Prospectus.

2.3 OUR FUTURE PLANS AND STRATEGIES

The future plans and strategies of our Group which we intend to implement within three (3) years are as follows:

- (i) Expansion of our community pharmacies to expand our coverage in Malaysia to provide convenience and enlarge our base of customers; and
- (ii) Renovation of our new head office and warehouse to cater to our expanding operations.

Such plans and strategies reflect our Management's current views and actual implementation may differ as a result of factors beyond our control such as the economic environment in which the Group operates in and government policy, legislation and regulations applicable to the Group

Further details on our future plans and strategies are set out in Section 6.15 of this Prospectus.

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2. INFORMATION SUMMARY (Cont'd)**2.4 PROMOTERS, SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT**

Our Promoters, Substantial Shareholders, Directors and key management are as follows:

| Name | Designation |
|--|--|
| <u>Promoters and Substantial Shareholders</u> | |
| Motivasi Optima | |
| Jitumaju | |
| <u>Directors</u> | |
| Datin Sunita Mei-Lin Rajakumar | Independent Non-Executive Chairman |
| Chong Yeow Siang | Managing Director |
| Soo Chan Chiew | Executive Director |
| Tan Lean Boon | Executive Director |
| Ang Khoo Lim | Non-Independent Non-Executive Director |
| Tan Sri Dato' Haji Mohd Ariffin Bin Mohd Yusuf | Independent Non-Executive Director |
| <u>Key Management</u> | |
| Ch'ng Haw Chong | Procurement Director |
| Gooi Chean Keong | Business Development Director |
| Loo Jooi Leng | Marketing Director |
| Hwah Shih Chia | Finance Manager |
| Wong Hooi Fen | Chief Pharmacist |
| Ooh Chin Boon | Management Information System Manager |

Further details on our Promoters, Substantial Shareholders, Directors and key management are set out in Section 8 of this Prospectus.

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2. INFORMATION SUMMARY (Cont'd)

2.5 FINANCIAL HIGHLIGHTS

2.5.1 Pro forma Consolidated Statement of Profit or Loss and Other Comprehensive Income

The summarised pro forma consolidated statement of profit or loss and other comprehensive income of our Company for the FYE 2010 to FYE 2013 have been prepared for illustrative purposes only based on the audited financial statements of the companies in our Group and on the assumption that the current structure of our Group has been in existence throughout the Financial Years Under Review.

The pro forma consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes and assumptions included in the Report on the Compilation of Pro Forma Consolidated Financial Information as set out in Section 11.1 of this Prospectus.

| | Audited | | | |
|--|--------------------|--------------------|--------------------|--------------------|
| | FYE 2010 RM'000 | FYE 2011 RM'000 | FYE 2012 RM'000 | FYE 2013 RM'000 |
| Revenue | 170,566 | 206,501 | 248,284 | 301,417 |
| Cost of sales | (124,860) | (150,261) | (184,152) | (223,627) |
| GP | 45,706 | 56,240 | 64,132 | 77,790 |
| Other operating income | 7,840 | 9,563 | 15,229 | 19,580 |
| | 53,546 | 65,803 | 79,361 | 97,370 |
| Selling and distribution expenses | (19,319) | (24,500) | (30,798) | (40,175) |
| Administrative expenses | (12,595) | (15,312) | (18,959) | (24,558) |
| Other operating expenses | (1,756) | (1,972) | (2,641) | (2,763) |
| Finance costs | (41) | (30) | (16) | (55) |
| PBT | 19,835 | 23,989 | 26,947 | 29,819 |
| Income tax expense | (4,561) | (5,808) | (6,876) | (7,497) |
| PAT | 15,274 | 18,181 | 20,071 | 22,322 |
| PBT attributable to: | | | | |
| - Equity holders of CARiNG | 17,664 | 21,746 | 24,501 | 27,390 |
| - Non-controlling interests | 2,171 | 2,243 | 2,446 | 2,429 |
| | 19,835 | 23,989 | 26,947 | 29,819 |
| PAT attributable to: | | | | |
| - Equity holders of CARiNG | 13,552 | 16,458 | 18,271 | 20,552 |
| - Non-controlling interests | 1,722 | 1,723 | 1,800 | 1,770 |
| | 15,274 | 18,181 | 20,071 | 22,322 |
| No. of Shares in issue ('000) ^(a) | 217,706 | 217,706 | 217,706 | 217,706 |
| GP margin (%) | 26.80 | 27.23 | 25.83 | 25.81 |
| PBT margin (%) | 11.63 | 11.62 | 10.85 | 9.89 |
| PAT margin (%) | 8.95 | 8.80 | 8.08 | 7.41 |
| Gross EPS (sen) ^(b) | 8.11 | 9.99 | 11.25 | 12.58 |
| Net EPS (sen) ^(c) | 6.22 | 7.56 | 8.39 | 9.44 |
| Diluted EPS (sen) ^(d) | - | - | - | - |
| EBITDA (RM'000) | 21,605 | 25,986 | 29,535 | 32,608 |
| EBITDA per Share (RM) | 0.10 | 0.12 | 0.14 | 0.15 |

2. INFORMATION SUMMARY (Cont'd)

Notes:

- (a) *Based on the issued and paid-up share capital of 217,706,400 Shares after the Acquisition and Public Issue.*
- (b) *Gross EPS is computed based on the PBT attributable to the equity holders of CARiNG divided by enlarged share capital of 217,706,400 Shares (number of Shares in issue after the Acquisition and the Public Issue).*
- (c) *Net EPS is computed based on the PAT attributable to the equity holders of CARiNG divided by enlarged share capital of 217,706,400 Shares (number of Shares in issue after the Acquisition and the Public Issue).*
- (d) *There were no potential dilutive Shares in issue during the Financial Years Under Review.*

Our Group's audited financial statements for the Financial Years Under Review have not been subjected to any audit qualification.

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2. INFORMATION SUMMARY (Cont'd)**2.5.2 Pro forma Consolidated Statement of Financial Position**

The pro forma consolidated statement of financial position of our Company as at 31 May 2013 as set out below has been prepared for illustrative purposes only to show the effects on the pro forma consolidated statement of financial position of our Company, had the Listing Scheme and utilisation of proceeds been effected on that date.

| | (a) Audited as at 31 May 2013 | Pro forma I After the Acquisition | Pro forma II After Pro forma I and Public Issue | Pro forma III After Pro forma II and Utilisation of Proceeds |
|---|----------------------------------|---|--|--|
| | RM'000 | RM'000 | RM'000 | RM'000 |
| ASSETS | | | | |
| NON-CURRENT ASSETS | | | | |
| Property, plant and equipment | - | 32,142 | 32,142 | 42,142 |
| Intangible assets | - | 2,946 | 2,946 | 2,946 |
| Deferred tax assets | - | 448 | 448 | 448 |
| Total non-current assets | - | 35,536 | 35,536 | 45,536 |
| CURRENT ASSETS | | | | |
| Inventories | - | 57,507 | 57,507 | 69,507 |
| Trade receivables | - | 176 | 176 | 176 |
| Other receivables, deposits and prepayments | - | 7,932 | 6,661 | 6,661 |
| Tax recoverable | - | 587 | 587 | 587 |
| Deposits with financial institutions | - | 28,355 | 28,355 | 28,355 |
| Cash and bank balances | 10 | 12,037 | 55,787 | 24,743 |
| Total current assets | 10 | 106,594 | 149,073 | 130,029 |
| TOTAL ASSETS | 10 | 142,130 | 184,609 | 175,565 |
| EQUITY AND LIABILITIES | | | | |
| EQUITY | | | | |
| Share capital | (a) | 182,706 | 217,706 | 217,706 |
| Share premium | - | - | 6,734 | 6,734 |
| Retained profits | (7) | 59,184 | 57,200 | 57,200 |
| Merger deficit | - | (181,984) | (181,984) | (181,984) |
| Shareholders' equity | (7) | 59,906 | 99,656 | 99,656 |
| NON-CONTROLLING INTERESTS | - | 5,402 | 5,402 | 5,402 |
| TOTAL EQUITY | (7) | 65,308 | 105,058 | 105,058 |
| NON-CURRENT LIABILITIES | | | | |
| Term loans | - | 14,553 | 14,553 | 8,553 |
| Deferred tax liabilities | - | 150 | 150 | 150 |
| Total non-current liabilities | - | 14,703 | 14,703 | 8,703 |
| CURRENT LIABILITIES | | | | |
| Trade payables | - | 54,223 | 54,223 | 54,223 |
| Other payables and accruals | 2 | 5,720 | 8,449 | 5,405 |
| Amount owing to non-controlling shareholders ^(c) | - | 256 | 256 | 256 |
| Amount owing to related parties | 15 | 40 | 40 | 40 |
| Provision for taxation | - | 1,438 | 1,438 | 1,438 |
| Term loans | - | 442 | 442 | 442 |
| Total current liabilities | 17 | 62,119 | 64,848 | 61,804 |
| TOTAL LIABILITIES | 17 | 76,822 | 79,551 | 70,507 |
| TOTAL LIABILITIES AND EQUITIES | 10 | 142,130 | 184,609 | 175,565 |
| Number of Shares in issue of RM1.00 each ('000) | (b) | 182,706 | 217,706 | 217,706 |
| NA/ (NL) (RM'000) | (7) | 59,906 | 99,656 | 99,656 |
| NA/ (NL) per ordinary Share (RM) | (2.33) | 0.33 | 0.46 | 0.46 |
| NTA/ (NTL) per Share (RM) | (2.33) | 0.31 | 0.44 | 0.44 |

Notes:

(a) Denotes RM3.00.

2. INFORMATION SUMMARY (Cont'd)

- (b) Denotes three (3) Shares.
(c) Non-controlling shareholders of subsidiaries of CARiNG,

2.5.3 Pro forma Consolidated Statement of Cash Flow

The pro forma consolidated statement of cash flow of our Company for the FYE 2013 has been prepared, solely for illustrative purposes only, based on the Pro forma Consolidated Financial Information as set out in Section 11.1 of this Prospectus.

| | FYE 2013 RM'000 |
|---|----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| PBT | 27,835 |
| Adjustments for: | |
| Depreciation of property, plant and equipment | 2,737 |
| Equipment written off | 21 |
| Gain on disposal of property, plant and equipment | (85) |
| Interest expenses | 52 |
| Interest income | (809) |
| Listing expenses | 1,984 |
| Rental income | (158) |
| Operating profit before working capital changes | 31,577 |
| Increase in inventories | (19,188) |
| Increase in trade and other receivables | (1,353) |
| Increase in trade and other payables | 12,218 |
| CASH FROM OPERATIONS | 23,254 |
| Interest paid | (52) |
| Tax paid | (7,937) |
| Tax refunded | 10 |
| NET CASH FROM OPERATING ACTIVITIES | 15,275 |
| CASH FLOWS FOR INVESTING ACTIVITIES | |
| Payment of deposit for the acquisition of property, plant and equipment | (1,706) |
| Purchase of property, plant and equipment | (33,428) |
| Proceeds from disposal of property, plant and equipment | 88 |
| Proceeds from dilution in equity interest in a subsidiary | 14 |
| Interest received | 809 |
| Rental received | 158 |
| NET CASH FOR INVESTING ACTIVITIES | (34,065) |
| CASH FLOWS FROM FINANCING ACTIVITIES | |
| Dividend paid | (12,729) |
| Proceeds from issuance of shares pursuant to public issue | 43,750 |
| Payment of listing expenses | (4,000) |
| Proceeds from issuance of shares by subsidiaries to non-controlling shareholders ^(a) | 232 |
| Drawdown of term loan | 14,005 |
| Repayment of term loans | (6,220) |
| Quasi loans from non-controlling shareholders ^(a) | 595 |
| Net advances from non-controlling shareholders ^(a) | 4 |
| NET CASH FROM FINANCING ACTIVITIES | 35,637 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 16,847 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR | 36,251 |
| CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR | 53,098 |

Notes:

- (a) Non-controlling shareholders of subsidiaries of CARiNG,

2. INFORMATION SUMMARY (Cont'd)**2.6 PRINCIPAL STATISTICS RELATING TO OUR IPO**

In conjunction with our Listing on the Main Market, we will undertake the Public Issue, details of which are as follows:

| Share Capital | No. of Shares | Share Capital |
|---|--------------------|--------------------|
| | | RM |
| Authorised share capital | 500,000,000 | 500,000,000 |
| Existing issued and paid-up share capital | 182,706,400 | 182,706,400 |
| New Shares to be issued pursuant to the Public Issue | 35,000,000 | 35,000,000 |
| Enlarged issued and paid-up share capital upon Listing | 217,706,400 | 217,706,400 |
| IPO Price per Share | | 1.25 |
| Market Capitalisation (based on our IPO Price and our enlarged issued and paid-up share capital) | | 272,133,000 |

Further details on our IPO are set out in Section 3.5 of this Prospectus.

2.7 UTILISATION OF PROCEEDS

The total gross proceeds from the Public Issue amounting to RM43.75 million which will entirely accrue to our Company is intended to be utilised as follows:

| Proposed Utilisation | Amount of Proceeds | | Estimated Timeframe for Utilisation Upon Listing |
|--|--------------------|---------------|--|
| | RM'000 | % | |
| (i) New community pharmacy outlets | | | |
| - Property, plant and equipment | 6,000 | 13.72 | Within 24 months |
| - Inventories | 12,000 | 27.43 | Within 24 months |
| (ii) To pare down borrowings to reduce interest cost | 6,000 | 13.71 | Within 24 months |
| (iii) Renovation of new head office and warehouse | 4,000 | 9.14 | Within 24 months |
| (iv) Working capital | 11,750 | 26.86 | Within 24 months |
| (v) Estimated listing expenses | 4,000 | 9.14 | Within 3 months |
| Total | 43,750 | 100.00 | |

Further details on the utilisation of proceeds are set out in Section 3.9 of this Prospectus.

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2. INFORMATION SUMMARY *(Cont'd)*

2.8 RISK FACTORS

You should carefully consider the following key risk factors associated with an investment in our Company and other information contained in this Prospectus before deciding to invest in our Company. For a detailed commentary on the risk factors, please refer to Section 4 of this Prospectus.

2.8.1 Risks Relating to Our Business and Operations

- (i) Our retail operations require a number of licences in order to carry on our business;
- (ii) Increase in rental or failure to renew existing tenancies in respect of our outlets;
- (iii) Dependence on continued service of our key management and in-store pharmacists for our outlets;
- (iv) Our success depends on our ability to establish effective advertising, marketing and promotional programs;
- (v) Subject to fines and penalties in the event of failure to comply with the applicable laws and regulations;
- (vi) Management of our distribution centre may not be optimised and we may be unable to meet customer demand;
- (vii) Our dependency on major suppliers as well as the availability, cost and quality of products we offer;
- (viii) We may not be able to timely identify or otherwise effectively respond to changing customer preferences, and we may fail to optimise our product offering and inventory position;
- (ix) Failure to maintain optimal inventory levels could increase our inventory holding costs or cause us to lose sales, either of which could have a material adverse effect on our business, financial condition and results of operations;
- (x) Reliance on computer software and hardware systems in managing our business operations;
- (xi) As a retailer of pharmaceutical products, we are exposed to inherent risks relating to our business;
- (xii) Some of our businesses are conducted through joint ventures; and
- (xiii) Negative publicity.

2.8.2 Risks Relating to the Industry in which Our Group Operates

- (i) Competition;
- (ii) Changes in economic and social conditions and consumer preferences and spending patterns;
- (iii) Shortage of fully registered pharmacists; and
- (iv) Pilferages and robbery.

2. INFORMATION SUMMARY *(Cont'd)*

2.8.3 Risks Relating to Investment in Our Shares

- (i) No prior market for our shares;
- (ii) Capital market risks and share price volatility;
- (iii) Control by our Promoters;
- (iv) Payment of dividends;
- (v) Future fund raisings may dilute shareholders' equity and/or restrict our operations;
- (vi) Failure or delay in our Listing; and
- (vii) Disclosure regarding forward-looking statements.

Further details of these risk factors are set out in Section 4 of this Prospectus.

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3. PARTICULARS OF THE IPO

3.1 INTRODUCTION

This Prospectus is dated 18 October 2013.

We have registered a copy of this Prospectus with the SC and have also lodged a copy of this Prospectus together with the Application Forms with the ROC, both of whom take no responsibility for its contents.

We received the SC's approval for our IPO (details of which are set out in Section 9 of this Prospectus) via its letter dated 9 July 2013. The approval from the SC shall not be taken to indicate that the SC recommends our IPO.

You are advised to make your own independent assessment of our Company and should rely on your own evaluation to assess the merits and risks of our Listing and an investment in our Company.

We have received Bursa Securities approval on 23 August 2013 for the admission of our Shares to the Official List of the Main Market of Bursa Securities and the listing of and quotation for all our Shares. Our Shares will be admitted to the Official List of the Main Market of Bursa Securities and official quotation will commence upon receipt of confirmation from Bursa Depository that all the IPO Shares have been credited into the respective CDS accounts of the successful applicants and the notices of allotment have been despatched to all successful applicants. Admission to the Official List shall not be taken as an indication of the merits of our Company, our Shares or our Listing.

Under Bursa Securities' trading rules, trading of all Bursa Securities' listed securities can only be executed through an ADA who is also a Bursa Securities member with effect from the date of Listing.

You must have a CDS Account prior to submitting applications for our Shares either by way of an Application Form, Electronic Share Application or Internet Share Application. If you do not presently have a CDS Account, you should open a CDS Account with an ADA prior to making an application for our Shares. You should state your CDS Account number in the space provided in the Application Form if you presently have such an account registered in your own name. If you already have a CDS Account, you should not complete the preferred ADA Code.

In the case of an application by way of Electronic Share Application, only an applicant who is an Malaysian citizen or permanent resident and has a CDS Account can make an Electronic Share Application and you shall furnish your CDS Account number to the Participating Financial Institution by way of keying in your CDS Account number if the instructions on the ATM screen at which you enter your Electronic Share Application require you to do so.

In the case of an application by way of Internet Share Application, only an applicant who has a CDS Account and who is a Malaysian citizen or permanent resident can make an Internet Share Application. In certain cases, only an applicant who has a CDS account opened with the Internet Participating Financial Institution can make an Internet Share Application. Arising therewith, the applicant's CDS account number would automatically appear in the e-IPO online application form. A corporation or institution cannot apply for the IPO Shares by way of Electronic Share Application or Internet Share Application.

Pursuant to Section 14(1) of the Central Depositories Act, Bursa Securities has prescribed our Shares as "prescribed security". In consequence thereof, our Shares offered through this Prospectus will be deposited directly with Bursa Depository and any dealings in our Shares will be carried out in accordance with the Central Depositories Act and the rules of Bursa Depository. We will not issue any share certificates to successful applicants.

3. PARTICULARS OF THE IPO (Cont'd)

Pursuant to the Listing Requirements, at least 25% of the issued and paid-up share capital of our Company must be held by a minimum number of 1,000 public shareholders holding not less than 100 Shares each. We expect to meet this requirement at the point of Listing. However, in the event that we do not meet the above requirement, we may not be allowed to proceed with our Listing. In this event, monies paid in respect of all applications will be returned in full without interest.

You should rely only on the information contained in this Prospectus. We have not authorised any person to give any information or to make any representation that is different and not contained in this Prospectus. If any such information or representation is given or made, you must not rely on them as having been authorised by us and/or KIBB. Neither the delivery of this Prospectus nor any public issue made in connection with this Prospectus shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of our Company since the date of this Prospectus. Nonetheless, should we become aware of any material change or development affecting a matter disclosed in this Prospectus up to the date of the Listing, we shall further issue a supplemental or replacement prospectus (as the case may be), in accordance with the provisions of Section 238 of the CMA.

3.2 OPENING AND CLOSING OF APPLICATION

The application for the IPO will open at 10:00 a.m. on 18 October 2013 and will remain open until 5:00 p.m. on 30 October 2013 or such later date or dates as our Board, Promoters and the Joint Underwriters at their absolute discretion may jointly decide. Late applications will not be accepted.

3.3 IMPORTANT DATES

The indicative timetable of events leading up to the listing of and quotation for our entire enlarged issued and paid-up share capital on the Main Market of Bursa Securities is as follows:

| Event | Tentative Date |
|--|----------------------------|
| Opening of application for the IPO Shares | 18 October 2013 at 10.00AM |
| Closing of application for the IPO Shares | 30 October 2013 at 5.00PM |
| Balloting Date of application | 1 November 2013 |
| Allotment of the IPO Shares to successful applicants | 11 November 2013 |
| Listing of our entire enlarged issued and paid-up share capital on the Main Market of Bursa Securities | 13 November 2013 |

Save for the opening date of the application for the IPO Shares, these dates are tentative and subject to changes which may be necessary to facilitate implementation procedures.

Should the date of closing of application for the IPO Shares be extended, the dates for balloting, despatch of notices of allotment to successful applicants and listing of our entire enlarged issued and paid-up share capital on the Main Market of Bursa Securities will be extended accordingly. In the event the date of the closing of application for the IPO Shares is extended, the public will be notified of such extension by way of advertisements placed in widely circulated daily English and Bahasa Malaysia newspapers within Malaysia prior to the original closing date.

3. PARTICULARS OF THE IPO (Cont'd)**3.4 SHARE CAPITAL**

As at the date of this Prospectus, our issued and paid-up share capital is RM182,706,400 comprising 182,706,400 Shares.

Upon the allotment and issue of the Shares pursuant to the Public Issue, our enlarged issued and paid-up share capital will be RM217,706,400 comprising 217,706,400 Shares as follows:

| Share Capital | No. of Shares | Share Capital RM |
|---|--------------------|---------------------|
| Authorised share capital | 500,000,000 | 500,000,000 |
| Existing issued and paid-up share capital | 182,706,400 | 182,706,400 |
| New Shares to be issued pursuant to the Public Issue | 35,000,000 | 35,000,000 |
| Enlarged issued and paid-up share capital upon Listing | 217,706,400 | 217,706,400 |
| IPO Price per Share | | 1.25 |
| Market Capitalisation (based on our IPO Price and our enlarged issued and paid-up share capital) | | 272,133,000 |

As at the date of this Prospectus, we have only one (1) class of shares in our Company, being ordinary shares of RM1.00 each, all of which rank *pari passu* with one another. The IPO Shares shall, upon allotment and issue, rank *pari passu* in all respects with one another and all other existing issued and fully paid-up Shares in our Company, including voting rights and will be entitled to all dividends and other distributions that may be declared, paid or made subsequent to the date of allotment thereof.

Subject to any special rights attached to any Shares which we may issue in the future, our shareholders shall, in proportion to the amount paid-up on the Shares held by them, be entitled to share in the whole of the profits paid out by us as dividends and other distributions, and any surplus in the event of our liquidation, in accordance with our Articles.

Each shareholder shall be entitled to be present and to vote at our general meeting in person or by proxy or by attorney or by authorised representative, and, on a show of hands, every person present who is a shareholder or authorised representative or proxy or attorney of a shareholder shall have one (1) vote, and on poll, every shareholder present in person or by proxy or by attorney or other duly authorised representative shall have one (1) vote for every one (1) Share held. A proxy shall be entitled to vote on a show of hands on any question at any general meeting. There shall be no restriction as to the qualification of the proxy. A proxy, whether or not a member of our Company, need not be an advocate, an approved company auditor or a person approved by the Companies Commission of Malaysia.

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3. PARTICULARS OF THE IPO (Cont'd)

3.5 PARTICULARS OF OUR IPO

Our IPO comprises the initial offering of the IPO Shares by our Company. No offer for sale will be undertaken by existing shareholders of our Company.

The basis of allocation for the IPO Shares takes into accounts the desirability of distributing the IPO Shares to a reasonable number of applicants with a view of broadening our shareholding base to meet the public spread requirements and to establish a liquid and adequate market for our Shares.

There is no over-allotment or 'green-shoe' option that will result in an increase in the amount of IPO Shares.

3.5.1 The Public Issue

The Public Issue is an invitation by us to the public to subscribe for the IPO Shares at the IPO Price, subject to the terms and conditions contained in this Prospectus and the Application Forms.

An aggregate of 35,000,000 IPO Shares, representing approximately 16.08% of our enlarged issued and paid-up share capital are being offered at the IPO Price under the Public Issue. Based on the IPO Price, the gross proceeds from the Public Issue will be RM43.75 million.

The IPO Shares will be allocated and allotted in the following manner:

(i) Malaysian Public

10,886,000 IPO Shares, representing 5.00% of our enlarged issued and paid-up share capital, to be allocated via balloting, will be made available for application by the Malaysian public, of which at least 50% is to be set aside strictly for Bumiputera individuals, companies, societies, co-operatives and institutions.

(ii) Eligible Directors, Eligible Employees and Shareholders of Subsidiaries of the Group

5,716,000 IPO Shares, representing approximately 2.63% of our enlarged issued and paid-up share capital will be reserved for eligible Directors, eligible employees and shareholders of subsidiaries the Group, as follows:

| Category | No. of persons | Pink Form Shares Allocation No. of Shares |
|--|----------------|--|
| Eligible Directors | 6 | 1,450,500 |
| Eligible employees and shareholders of subsidiaries of the Group | 572 | 4,265,500 |
| Total | 578 | 5,716,000 |

The Pink Form Shares will be allocated to the eligible Directors, eligible employees and shareholders of subsidiaries of our Group based on the following criteria as approved by our Board:

- (a) Full time employee of at least 18 years old;
- (b) Designation and position; and
- (c) Length of service.

3. PARTICULARS OF THE IPO (Cont'd)

Details of the Pink Form Shares allocation to the eligible Directors of our Group are as follows:

| Name of Directors | Designation | Pink Form Shares allocation |
|--|--|------------------------------------|
| Datin Sunita Mei-Lin Rajakumar | Independent Non-Executive Chairman | 200,000 |
| Chong Yeow Siang | Managing Director | 262,700 |
| Soo Chan Chiew | Executive Director | 262,600 |
| Tan Lean Boon | Executive Director | 262,600 |
| Ang Khoo Lim | Non-Independent Non-Executive Director | 262,600 |
| Tan Sri Dato' Haji Mohd Ariffin Bin Mohd Yusuf | Independent Non-Executive Director | 200,000 |
| Total | | 1,450,500 |

Note:

The Directors have given their irrevocable undertaking to subscribe to the Pink Form Shares allocated to them in full.

The Pink Form Shares allocation reserved for eligible employees and shareholders of subsidiaries of CARiNG Group is subject to them subscribing to their respective allocations in full.

(iii) Bumiputera Investors

4,200,000 IPO Shares, representing approximately 1.93% of our enlarged issued and paid-up share capital are reserved for Bumiputera institutional and selected investors approved by MITI.

(iv) Private Placement

14,198,000 IPO Shares, representing approximately 6.52% of our enlarged issued and paid-up share capital are reserved by way of private placement to selected investors (who are deemed public).

In the event of an under-subscription of the IPO Shares by the Malaysian Public in Section 3.5.1(i) above, such remaining IPO Shares not subscribed for will be transferred from the balloting tranche and allocated by way of private placement to selected investors.

The IPO Shares to be allocated to our Directors will not be underwritten as irrevocable undertakings have been obtained from them to subscribe for their allocated Pink Form Shares in full. In the event any of the IPO Shares under Section 3.5.1(ii) above are not fully subscribed by our eligible employees and shareholders of subsidiaries of our Group, such IPO Shares not subscribed for will be first re-offered to our eligible employees and shareholders of subsidiaries of our Group. Subsequently, any of the IPO Shares re-offered which are not subscribed will be allocated by way of private placement to selected investors.

The IPO Shares to be allocated to MITI approved Bumiputera investors will not be underwritten as irrevocable undertakings have been obtained from these investors. In the event of an under subscription of the IPO Shares made available for application by the MITI approved Bumiputera investors under Section 3.5.1(iii) above, the unsubscribed IPO Shares shall be made available for application by the Bumiputera public as part of the balloting process. Thereafter, any of the undersubscribed IPO Shares that are reallocated to the Bumiputera public (as part of the balloting process) which are not subscribed by the Bumiputera public will be made available for application by selected investors via placement.

3. PARTICULARS OF THE IPO (Cont'd)

The IPO Shares under Sections 3.5.1(i) and (ii) (except for the IPO shares allocated to our Directors in which irrevocable undertaking to subscribe has been provided by the respective Directors) above have been fully underwritten by our Joint Underwriters. The IPO Shares which are made available for private placement in Section 3.5.1(iv) above will not be underwritten as investors have been selected to subscribe for the said IPO Shares. Our Placement Agent(s) has received irrevocable undertakings from the selected investors to subscribe for the IPO Shares.

There is no minimum subscription amount to be raised from the IPO as the IPO Shares are either fully underwritten or investors have been selected to subscribe for them.

3.6 PURPOSE OF THE IPO

The purposes of the IPO are as follows:

- (i) To enable our Group to gain recognition and market visibility to enhance our Company profile through our listing status and further augment CARiNG's corporate reputation and also expand and grow its customer base;
- (ii) To provide our Group with access to the capital markets for further development and growth, both at the time of IPO and later, through other future capital raisings, if required. The fund-raising through the IPO will allow our Group to implement our business strategies for our Group and allow us to expand our capabilities and capacity;
- (iii) To provide the opportunity for eligible Directors, eligible employees and shareholders of subsidiaries of the Group and the Malaysian investing public and institutions to participate in the equity and continuing growth of our Group;
- (iv) To provide additional funds to meet the working capital requirement of the Group; and
- (v) To enable us to retain and attract capable and qualified personnel through our profile as a listed company, thus allowing us to further expand our business prospects.

3.7 PRICING OF THE IPO SHARES

Our Directors together with KIBB as the Principal Adviser, have determined and agreed to the IPO Price of RM1.25 per IPO Share, after taking into account, *inter-alia*, the following:

- (i) Our Group's operating and financial history and position as outlined in Section 5 and Section 11 respectively of this Prospectus;
- (ii) Our competitive strengths and advantages as listed in Section 6.2 of this Prospectus;
- (iii) Our industry outlook, future plans and strategies and prospects of our Group as set out in Section 7, Section 6.15 and 6.16 respectively of this Prospectus;
- (iv) Our pro forma net EPS of 9.44 sen per Share, computed based on our Group's pro forma consolidated PATAMI of approximately RM20.55 million for FYE 2013 and our enlarged issued and paid-up share capital of 217,706,400 Shares upon Listing, translating to a net PE Multiple of approximately 13.24 times;
- (v) Our pro forma EBITDA per Share of RM0.15 per Share, computed based on our Group's pro forma consolidated EBITDA of approximately RM32.61 million for FYE 2013 and our enlarged issued and paid-up share capital of 217,706,400 Shares upon Listing; and

3. PARTICULARS OF THE IPO (Cont'd)

- (vi) Our pro forma consolidated NA as at 31 May 2013 of approximately RM0.46 per Share, based on our enlarged issued and paid-up share capital of 217,706,400 Shares, the IPO price of RM1.25 per Share represents a premium of 172% to the pro forma consolidated NA per Share and price to book ratio of approximately 2.72 times.

You should note that the market price of our Shares upon Listing is subject to the vagaries of market forces and other uncertainties which may affect the market price of our Shares being traded. You should bear in mind the risk factors as set out in Section 4 of this Prospectus and your own views on the valuation of the IPO Shares and the reasonableness of the bases used before deciding on whether to invest in our Shares.

3.8 DILUTION

Dilution is the amount by which the IPO Price to be paid by the applicants for our IPO Shares exceeds our pro forma consolidated NA per Share after the IPO. The pro forma consolidated NA per Share as at 31 May 2013 based on our issued and paid-up share capital of 182,706,400 Shares before adjusting for the effects of the Public Issue and utilisation of proceeds is approximately RM0.33 per Share.

Pursuant to the Public Issue of 35,000,000 new Shares at the IPO Price and after adjusting for the effects of the utilisation of proceeds, the pro forma consolidated NA per Share of our Group as at 31 May 2013 would increase to approximately RM0.46 per Share based on our enlarged issued and paid-up share capital of 217,706,400 Shares after the IPO. This represents an immediate increase in adjusted NA of approximately RM0.13 per Share to our existing shareholders and dilution of approximately RM0.79 per Share, representing approximately 63.2% of immediate dilution to applicants for the IPO Shares.

The following table illustrates such dilution on a per Share basis:

| | RM |
|--|-------|
| IPO Price | 1.25 |
| Pro forma consolidated NA per Share as at FYE 2013 before the IPO ⁽¹⁾ | 0.33 |
| Increase in pro forma consolidated NA per Share contributed by new investors | 0.13 |
| Pro forma consolidated NA per Share after the IPO ⁽²⁾ | 0.46 |
| Dilution in NA per Share to new investors for the IPO Shares | 0.79 |
| Dilution in NA per Share to new investors as a percentage of the IPO Price | 63.2% |

Notes:

- (1) Taking into consideration the effects of the Acquisition but excluding the IPO and the utilisation of proceeds.
- (2) Taking into consideration the effects of the Acquisition, IPO and the utilisation of proceeds.

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3. PARTICULARS OF THE IPO (Cont'd)

The following table summarises the total number of Shares acquired and the total consideration paid by our Substantial Shareholders, Directors or key management or persons connected to them including those by the new investors pursuant to the IPO since the date of incorporation of our Company up to the date of this Prospectus:

| | No. of Shares | Consideration RM | Average Effective Cost per Share RM |
|---|----------------------------|---------------------|--|
| Motivasi Optima | ^(a) 109,623,854 | 109,623,854.00 | 1.00 |
| Motivasi Optima | ^(b) 3 | 3.75 | 1.25 |
| Jitumaju | ^(a) 37,188,278 | 37,188,278.00 | 1.00 |
| Dato' Ismail Bin Osman | ^(a) 8,934,035 | 8,934,035.00 | 1.00 |
| Datuk Seri Syed Ali Bin Tan Sri Syed Abbas Al Habshee | ^(a) 8,934,035 | 8,934,035.00 | 1.00 |
| Datuk Lye Ek Seang | ^(a) 8,934,035 | 8,934,035.00 | 1.00 |
| Arsam Bin Damis | ^(a) 9,092,160 | 9,092,160.00 | 1.00 |
| <u>New Investors</u> | | | |
| ▪ Public Issue | 35,000,000 | 43,750,000.00 | 1.25 |

Notes:

(a) Pursuant to the Acquisition.

(b) Pursuant to the transfer of the three (3) subscribers' Shares to Motivasi Optima.

3.9 UTILISATION OF PROCEEDS

The estimated gross proceeds from the Public Issue amounting to RM43.75 million will accrue entirely to our Company and is intended to be utilised as follows:

| Proposed Utilisation | Amount of Proceeds | | Estimated Timeframe for Utilisation Upon Listing |
|--|----------------------|----------------|---|
| | RM'000 | % | |
| (i) New community pharmacy outlets | | | |
| - Property, plant and equipment | 6,000 ⁽¹⁾ | 13.71 | Within 24 months |
| - Inventories | 12,000 | 27.43 | Within 24 months |
| (ii) To pare down borrowings to reduce interest cost | 6,000 | 13.71 | Within 24 months |
| (iii) Renovation of new head office and warehouse | 4,000 | 9.14 | Within 24 months |
| (iv) Working capital | 11,750 | 26.86 | Within 24 months |
| (v) Estimated listing expenses | 4,000 | 9.14 | Within 3 months |
| Total | 43,750 | ^100.00 | |

Note:

^ Difference due to rounding

(1) Includes furniture and fittings, electrical fittings, office equipment, renovations and signboards for the setting up of new community pharmacy outlets.

Pending the utilisation of the proceeds to be raised from the Public Issue, the funds will be placed in short-term deposits with licensed financial institutions and/or used to invest in short-term money market instruments as our Directors may deem appropriate.

3. PARTICULARS OF THE IPO (Cont'd)**(i) Setting up of new community pharmacy outlets**

The proceeds of RM18 million, representing approximately 41.15% of the gross proceeds will be utilised towards our Group's expansion of new community pharmacies, including the purchasing of property, plant and equipment amounting to RM6 million, and purchasing of inventories which amounts to RM12 million, which is expected to increase our market share and our CARiNG brand presence in the community pharmacy industry through, amongst others setting up 25 to 30 new community pharmacies in Peninsula Malaysia within a two (2) year period. Please refer to Section 6.15(i) for further details on our plans in setting up new community pharmacy outlets.

Our new community pharmacies will mainly be set up in urban centres, as we believe there are still growth prospects in these areas. We are still evaluating our expansion plan, i.e. obtaining the best outlet location when opportunity arises. The location of the new community pharmacy outlet is an important factor in determining whether the new community pharmacy outlet is to be a wholly-owned or partially-owned community pharmacy as CARiNG will normally hold 100% if it is a strategic/ prime location. The cost of setting up a shopping complex outlet will be generally higher than the cost of setting up a street outlet mainly due to the higher cost of renovation and rental commitment.

(ii) To pare down borrowings to reduce interest cost

The proceeds of RM6 million, representing approximately 13.71% of the gross proceeds will be utilised towards the reduction of bank borrowings in order to reduce interest cost and optimise the financial position of the Group. Details of the bank borrowings are as follows:

| | |
|------------------|---|
| Bank: | HSBC Amanah Malaysia Berhad |
| Tenure: | 120 months |
| Interest rate: | BLR -2.4% |
| Purpose of Loan: | The loan from HSBC Amanah Malaysia Berhad is used to partially finance the acquisition of the new headquarters in Petaling Jaya Old Town. |

The repayment of bank borrowings will enable the Group to enjoy interest saving estimated at RM1.95 million. However, actual interest saving will depend on the applicable interest rate at the point of repayment.

(iii) Renovation of new head office and warehouse

The proceeds of RM4 million, representing approximately 9.14% of the gross proceeds will be utilised towards the renovation of our new head office building and warehouse in PJ Old Town, Selangor which is scheduled to be completed in 2014.

(iv) Working Capital

The proceeds of RM11.75 million, representing approximately 26.86% of the gross proceeds will be utilised to finance our Group's day-to-day operations, including but not limited to, payments of staff salaries and related expenses, purchase of inventories and defrayment of operational expenses including payments to creditors. The proceeds from the Public Issue earmarked for the working capital of our Group would also further enhance our Group's cash flow in funding our daily operational activities.

3. PARTICULARS OF THE IPO (Cont'd)**(v) Estimated Listing Expenses**

The estimated expenses and fees incidental to our Listing of RM4 million shall be borne by our Company, details of which are as follows:

| Estimated Expenses | RM'000 |
|---|---------------|
| Professional fees ^(a) | 1,626 |
| Fees to authorities | 278 |
| Underwriting, placement and brokerage fees | 1,150 |
| Other fees and expenses including printing, advertising, travelling and roadshow expenses to be incurred in connection with the IPO | 300 |
| Other miscellaneous expenses ^(b) | 646 |
| Total | 4,000 |

Notes:

- (a) Include fees for, amongst others, the Adviser, Reporting Accountants and Auditors, Solicitors, Independent Market Researcher, Issuing House and other professionals.
- (b) Other incidental or related expenses in connection with the IPO.

If the actual listing expenses are higher than budgeted, the deficit will be funded out of the portion allocated for working capital and/or our Group's internally generated funds. Conversely, if the actual listing expenses are lower than budgeted, the excess cash will be utilised for the working capital of the Group.

We will bear all expenses and fees incidental to the listing of and quotation for our enlarged issued and paid-up share capital on the Main Market of Bursa Securities, which include underwriting commission, placement fees, professional fees, authorities' fees, printing and advertising.

The actual utilisation of proceeds on each category of the above estimated expenses may vary but such variation may not be material and in any event of reallocation of proceeds, our Company will observe the necessary disclosure requirements under the Listing Requirements.

3.10 FINANCIAL IMPACT FROM UTILISATION OF PROCEEDS

The financial impact and benefits from the utilisation of the proceeds from the Public Issue include, *inter-alia* the following:

(i) Increase market share of the Group

The setting up of 25 to 30 new community pharmacies is expected to enhance our revenue and profits over the next few years. We expect that an expansion of our Group's community pharmacies will improve our market presence and in turn increase our market share in the community pharmacy industry.

(ii) Interest savings

The repayment of bank borrowings of RM6 million as described in Section 3.9(ii) of this Prospectus, at the interest rate disclosed therein, will result in interest saving estimated to be about RM1.95 million.

3. PARTICULARS OF THE IPO (Cont'd)

(iii) Enhancement of working capital

We will utilise approximately RM11.75 million of the Public Issue proceeds for our working capital requirements, which includes the payments of creditors, salaries, purchase of inventories, operating, marketing and distribution expenses. Our cash and cash equivalents will be increased to approximately RM53.10 million after the Listing. This will allow us to enhance our cash flow in financing our daily operational activities.

3.11 BROKERAGE, UNDERWRITING AND PLACEMENT COMMISSIONS

(i) Brokerage Fee

Brokerage fee relating to the IPO Shares is payable at the rate of 1.0% of the IPO Price in respect of successful applications, which bear the stamps of KIBB, or the Issuing House, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia or members of the Malaysian Investment Banking Association.

(ii) Underwriting Commission

Our Joint Underwriters have agreed to underwrite 15,151,500 of the IPO Shares, which will be made available by way of balloting to the Malaysian Public and made available to our eligible employees and shareholders of subsidiaries of the Group as set out in Section 3.5.1 of this Prospectus. We will pay our Joint Underwriters commission at the rate of 1.5% of the value of the IPO Shares underwritten (being the number of IPO Shares underwritten multiplied by the IPO Price) and the Managing Underwriter a managing underwriting fee of 0.5% of the total value of the IPO Shares underwritten.

(iii) Placement Commission

Our Joint Placement Agents have arranged for the placement of 14,198,000 IPO Shares at a rate of 2.0% of the value of the IPO Shares that have been successfully placed by our Joint Placement Agents based on the IPO Price.

3.12 SALIENT PROVISIONS OF THE UNDERWRITING AGREEMENT

The following are the reproduction of some of the salient clauses extracted from the Underwriting Agreement entered into between us and the Joint Underwriters, including escape clauses, which may allow the Joint Underwriters to withdraw from obligations under the Underwriting Agreement after the opening of the application of the IPO Shares. Terms defined in the Underwriting Agreement shall have the same meanings when used here unless they are otherwise defined here as the context otherwise required.

3.12.1 Pursuant to the terms of the Underwriting Agreement, each of the Joint Underwriters namely KIBB and MIDF Amanah Investment Bank have agreed to underwrite up to 7,575,750 Public Issue Shares each.

3.12.2 The obligations of the Managing Underwriter and the Joint Underwriters under the Underwriting Agreement shall further be conditional upon ("**Conditions Precedent**"):

(a) The approval of the SC and Bursa Securities for the Listing having been obtained and remaining in full force and effect (and if such approval is conditional, such conditions being on terms acceptable to the Managing Underwriter) and that all conditions (except for any which can only be complied with after the IPO has been completed) have been complied with;

3. PARTICULARS OF THE IPO (Cont'd)

- (b) the lodging with the ROC of a copy of the Prospectus in accordance with the requirements of the CMSA together with copies of all documents required under the CMSA;
- (c) the registration with the SC of the Prospectus and the submission to the SC of accompanying documents on or before their issue, circulation or distribution to the public in accordance with CMSA;
- (d) the delivery to the Managing Underwriter, prior to the date of registration of the Prospectus with the SC, a copy certified as a true copy by an authorised officer of the Company of all the resolutions of the directors and shareholders of each of the Company
 - (i) approving the Prospectus, the Underwriting Agreement and the transactions contemplated by it and the issue and offer of the Public Issue Shares under the IPO;
 - (ii) authorising the issuance of the Prospectus; and
 - (iii) authorising a person to sign and deliver the Underwriting Agreement on behalf of the Company;
- (e) the Managing Underwriter having received certificates in the form or substantially in the form contained in Annexure C of the Underwriting Agreement from the Company dated the closing date and the settlement date, all of which are to be signed by a Director or authorised signatory of the Company (on behalf of the Board of Directors of the Company) confirming that:
 - (i) the representations, warranties and undertakings of the Company are true, accurate and correct and not misleading in all respects on and as of the closing date and settlement date, as though they had been given and made on the closing date and the settlement date, and the Company has complied with all the terms of the Underwriting Agreement and satisfied all the conditions on its part under the Underwriting Agreement to be performed and satisfied on or prior to the closing date and the settlement date;
 - (ii) since the date of the Underwriting Agreement, there has been no change or development that may have a Material Adverse Effect on the business, financial condition or prospects of the Company; and
 - (iii) the offer and sale of the Public Issue Shares are not being prohibited by any statutes or regulations promulgated or issued by any legislative or regulatory body in Malaysia;
- (f) the IPO and the offering and subscription of the Public Issue Shares not being prohibited or impeded by any statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority of Malaysia or any jurisdiction within which such Public Issue Shares are offered and all approvals required by the Company under such laws for or in connection with the IPO and/or Listing have been obtained and are in force up to the closing date;
- (g) all necessary approvals, consents or exemptions required in relation to the IPO (including but not limited to governmental approvals) having been obtained and are in full force and effect and that all conditions to the approvals (except for any which can only be complied with after the IPO has been completed) have been complied with;
- (h) the Prospectus being issued not later than one (1) calendar month after the Underwriting Agreement or such date as the Company and the Managing Underwriter may agree in writing;

3. PARTICULARS OF THE IPO (Cont'd)

- (i) the execution of the Placement Agreement and such other agreement as may be determined by the Joint Placement Agents are in force and not having been terminated or rescinded pursuant to the provisions thereof (whereby for the avoidance of doubt, the execution of the Placement Agreement by the Joint Placement Agents shall be at the sole discretion of the Joint Placement Agents respectively);
 - (j) the Underwriting Agreement having been duly executed and stamped within the statutory time frame;
 - (k) there not being, in the opinion of the Managing Underwriter, on or prior to the closing date, circumstances of any material adverse effect;
 - (l) the Managing Underwriter and the Joint Underwriters having been satisfied that the Company has complied with, and that the IPO (including the offer, sale and issue of Public Issue Shares) is in compliance with, the policies, guidelines and requirements of the relevant authorities of Malaysia (including Bursa Securities and/or the SC) and all revisions, amendments, and/or supplements thereto;
 - (m) there not having occurred on or prior to the closing date, any event or discovery of fact or circumstances rendering untrue, inaccurate or incorrect any of the warranties, representations and undertakings of the Company as stated under Clause 4.1 of the Underwriting Agreement; and
 - (n) there not having occurred on or prior to the closing date any breach of and/or failure to perform any of the warranties, representations and undertakings given by the Company contained in the Underwriting Agreement.
- 3.12.3 Notwithstanding anything contained in the Underwriting Agreement, the Managing Underwriter (acting on behalf of themselves and all the Joint Underwriters), may by notice in writing to the Company given at any time before the Listing Date, terminate, cancel and withdraw its underwriting commitment if:
- (a) there is any breach by the Company of any of the representations, warranties or undertakings set out in the Underwriting Agreement in any respect;
 - (b) the Company withholds any material information from the Managing Underwriter, which, in the reasonable opinion of the Managing Underwriter, will likely have a material adverse effect;
 - (c) there shall have occurred, happened or come into effect any event or series of events beyond the reasonable control of the Company by reason of Force Majeure which would have or can reasonably be expected to have, a material adverse effect or the success of the IPO or which is likely to have the effect of making any material obligation under the Underwriting Agreement incapable of performance in accordance with its terms. "Force Majeure" means causes which are unpredictable and beyond the reasonable control of the party claiming Force Majeure which could not have been avoided or prevented by reasonable foresight, planning and implementation including but not limited to:
 - (i) war, acts of warfare, sabotages, hostilities, invasion, incursion by armed force, act of hostile army, nation or enemy, civil war or commotion, hijacking, terrorism, state of emergency;
 - (ii) riot, uprising against constituted authority, civil commotion, disorder, rebellion, organized armed resistance to the government, insurrection, revolt, military or usurped power; or
 - (iii) natural catastrophe including but not limited to tsunamis, earthquakes, floods, landslide fire, storm, lightning, tempest, explosions, accident, respiratory or virus outbreak, epidemics or other Acts of God;

3. PARTICULARS OF THE IPO (Cont'd)

- (d) any government requisition or other occurrence of any nature whatsoever which is likely to have a material adverse effect on the success of the IPO;
- (e) any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political or economic conditions or exchange control or currency exchange rates which in the opinion of the Managing Underwriter are likely to, have a material adverse effect in the primary market or in respect of dealings in the secondary market). For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI ("**Index**") is, at the close of normal trading on Bursa Securities, on any Market Day:
 - (i) on or after the date of the Underwriting Agreement; and
 - (ii) prior to the closing date,

lower than 50% of the level of Index at the last close of normal trading on the relevant exchange on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least three (3) consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;
- (f) trading of all securities on Bursa Securities has been suspended or other material form of general restriction in trading for three (3) consecutive Market Days or more;
- (g) any new law or regulation or change in law, regulation, directive, policy or ruling in any jurisdiction which in the opinion of the Managing Underwriter is likely to prejudice the success of the IPO and Listing or which may or is likely to have the effect of making any obligation under the Underwriting Agreement incapable of performance in accordance with its terms;
- (h) the institutional offering and/or the retail offering is stopped by the Company for any reason whatsoever (unless such stoppage has been approved by the Managing Underwriter, such approval not to be unreasonably withheld);
- (i) the Listing does not take place by 15 November 2013/ or such other extended date as may be agreed in writing by the Managing Underwriter and the Company;
- (j) any commencement of legal proceedings or action against the Company or any of its directors, which in the opinion of the Managing Underwriter, would have a material adverse effect or make it impracticable to market the IPO or to enforce contracts to allot and issue the Shares;
- (k) if the SC or any other relevant authority issues an order pursuant to Malaysian laws such as to make it, in the reasonable opinion of the Managing Underwriter (after consultation with the Company), impracticable to market the IPO or to enforce contracts to allot and transfer the Shares; or
- (l) there is any breach by the Company of any of its obligations under the Underwriting Agreement and where such breach is capable of remedy, the same not being remedied within two (2) Market Days from the date of a written notice to the Company by the Managing Underwriter; or
- (m) Placement Agreement shall have been terminated or rescinded in accordance with the terms.

4. RISK FACTORS

NOTWITHSTANDING THE PROSPECTS OF OUR GROUP AS OUTLINED IN THIS PROSPECTUS, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS (WHICH MAY NOT BE EXHAUSTIVE AND RANKED IN ORDER OF PRIORITY) BASED ON OUR EVALUATION THAT MAY HAVE A SIGNIFICANT IMPACT ON THE FUTURE PERFORMANCE OF OUR GROUP IN ADDITION TO OTHER INFORMATION CONTAINED ELSEWHERE IN THIS PROSPECTUS, BEFORE INVESTING IN OUR COMPANY.

4.1 RISKS RELATING TO OUR BUSINESS AND OPERATIONS

(i) Our retail operations require a number of licences in order to carry on our business

To operate a community pharmacy outlet in Malaysia, our Group and our pharmacists are required to obtain certain licences from the relevant Malaysian governmental authorities, amongst others, business and signage licence, annual retention certificate for body corporate, annual retention certificate for pharmacist and pharmacist poison licence (Type A licence).

The Group endeavors to ensure compliance with the relevant laws and regulations and conditions that are enforced and/or imposed and that the relevant licences are obtained and renewed on a timely basis.

However, in the future, we may not successfully obtain all the required licences, permits and certifications due to unforeseen circumstances, despite our Group's best effort to be in compliance with all the terms and conditions attached to the required licences, permits and certifications from time to time. Moreover, these licences, permits and certifications are subject to periodic renewal and/or reassessment by the relevant authorities and the standards of such renewal or reassessment may change periodically. We intend to apply for the renewal of these licences, permits and certifications when required by applicable laws and regulations. Failure to obtain and maintain all the required licences, permits and certifications at any time may have a material adverse effect on our business, financial condition and results of operations. In addition, any inability to renew these licences, permits and certifications may disrupt our business, and prevent us from continuing to carry on our business. Any change in the standards used by Governmental authorities in considering whether to renew or reassess our business licences, permits and certifications, as well as any enactment of new regulations that may restrict the conduct of our business, may reduce our profitability.

(ii) Increase in rental or failure to renew existing tenancies in respect of our outlets

Most of our shopping complex outlets, street outlets and specialised retail centres are rented from third parties with tenancy terms of up to three (3) years, and with options to renew for an additional three (3) years. Our Group generally commences negotiation of new tenancy terms six (6) months before the expiry of an existing tenancy. During the negotiation process, the landlords have the right to review and amend the terms and conditions of the tenancy agreements. As at LPD, our Group has not encountered any difficulty in obtaining the renewals of our outlets' rented properties.

However, we cannot assure you the possibility of the landlords increasing the rental or refusing to extend the tenure of the said tenancies and as such we would have to cease operations in the said applicable outlet and relocate to a new location. This may have an adverse material impact on our Group's operations and profitability.

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4. **RISK FACTORS** (*Cont'd*)

(iii) Dependence on continued service of our key management and in-store pharmacists for our outlets

Our ability to continue expanding our community pharmacy outlet and deliver high quality customer service depends on our ability to attract and retain qualified and skilled staff, especially in-store pharmacists. This is pertinent due to the shortage and dependency on pharmacists where each licensed pharmacist is restricted to dispense scheduled drugs only in one outlet, as specified in his/her Type A Licence.

Our in-store pharmacists play a major role in ensuring that advice and/or instruction on prescription drugs are communicated to our customers when approached and required. Our Group always ensure that at least one (1) registered pharmacist is stationed at each of our outlets during our business operating hours to ensure that our customers are able to purchase their required prescribed drugs and to also enable the pharmacist to address their needs. We will strive to continue to attract and retain qualified and experience pharmacist to support the operations of our Group.

Our success is also highly dependent on the continued service of our management staff, who have over the years been successfully supporting the operations of our Group. Every effort has been made to groom high performing store managers to be promoted as area managers and area managers to be promoted as our Group's management team to gradually take over the senior management to ensure smooth transition in the management should any changes occur. The loss of service of any of our Executive Directors, key management, other management staff and pharmacists without suitable and timely replacement, or inability to retain these qualified personnel, may adversely affect our ability to set up additional outlets, increase revenue or deliver high quality customer service which in turn may affect our profitability.

As part of our management succession plan, we have human resources development strategies, which include, amongst others, competitive remuneration packages, provision of on-going external and in-house training programmes for all our employees.

Notwithstanding our efforts to create a conducive working environment and provide motivation to our employees, there is no assurance that the above measures would be successful in retaining our key management.

(iv) Our success depends on our ability to establish effective advertising, marketing and promotional programs

Our success depends on our ability to establish effective advertising, marketing and promotional programs, including pricing strategies implemented in response to competitive pressures and/or to drive demand for our products. Our advertisements are designed to promote our brand, our corporate image and the prices of products in our stores. Our pricing strategies and value proposition must be appropriate for our customers. If we are unable to maintain and increase the awareness of our brand, products and services, we may not be able to attract and retain customers and as a result we plan to maximize our marketing and promotional efforts to attract and retain customers but there is no assurance that our marketing and promotional activities may be effective in building our brand awareness and customer base and hence, future growth.

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4. RISK FACTORS *(Cont'd)*

(v) Subject to fines and penalties in the event of failure to comply with the applicable laws and regulations

Our Group's retail pharmaceutical business is governed by regulations relevant to the Community Pharmacy Industry. Please refer to Section 7, sub-section 9 – "Government Regulations" of this Prospectus for further details. Failure to comply with any of the applicable laws, rules and regulations could result in fines and penalties. Our Group has procedures in place for our pharmacists to adhere to all regulatory and compliance to prohibit our outlets from selling controlled ethicals without proper prescription and record. Please refer to Section 6.1.4 – "Process Flow for Supply of Scheduled Drugs" of this Prospectus for further details. Notwithstanding this, there are certain allowances such as in cases of emergency where it shall be lawful to sell or supply such poison without a prescription provided an entry is made in the prescription book, upon the verbal or telephone instruction of a medical practitioner known to the pharmacist. In such circumstances, the pharmacist is required to act based on his or her professional judgment. In our 19 years of operations, our Group received only 3 summons (issued by Bahagian Peguatuksaan Farmasi, Bahagian Perkhidmatan Farmasi, Jabatan Kesihatan Wilayah Persekutuan, Kuala Lumpur and Putrajaya for the dispensation of Group B Scheduled Poison without a valid prescription from a qualified medical practitioner in January 2011, incurring a total fine of RM4,000) and a possible summon (due to the dispensation of drug without proper prescription by one of our partially-owned outlets in a "Test Buy" operation conducted by the Pharmacy Department in September 2013). Of the said 3 summons, 2 of them were committed by our partially-owned outlets and one by our wholly-owned outlet. We have further step up our management audit on our outlets and reminders on adherence to the Company's standard operating procedures. Disciplinary actions will also be taken by the Company against such offenders and such disciplinary actions (depending on the degree of offence) may range from a verbal warning to a domestic inquiry procedure. Pursuant to Section 32(2) of the Poisons Act 1952 under Laws of Malaysia (Act 366), the maximum fine and penalty for each of such non-compliances is a fine not exceeding RM3,000 or imprisonment for a term not exceeding one year or both. Hence, despite having procedures in place for our pharmacists to adhere to, there is no assurance that those procedures will be strictly followed by all our pharmacists in all our outlets.

In the event that our pharmacists are unable and/or fail to comply with our relevant standard operating procedures or relevant regulations, we may be penalised for our pharmacists' non-compliance. This may damage our reputation and may cause material adverse effect to our business, financials and operations.

(vi) Management of our distribution centre may not be optimised and we may be unable to meet customer demand

We deliver and replenish majority of our products that have reached minimum inventory level in all our Klang Valley outlets through our own vehicles from our central distribution and warehouse centre in Old Klang Road. Our Group owns four (4) trucks and two (2) vans to facilitate the delivery of our products. As for outlets outside Klang Valley, our Group engages third (3rd) party logistic companies to deliver our products. Our ability to meet customer demand may be significantly limited if we do not successfully operate our distribution and warehouse centre and efficiently conduct our distribution activities, or if our distribution centers are destroyed or shut down for any reason, including as the result of a natural disaster. Any disruption in the operation of our distribution and warehouse centres could result in higher costs or longer lead times associated with distributing our products. In addition, as it is difficult to predict accurate sales volume in our industry, we may be unable to optimise our distribution activities, which may result in excess or insufficient inventory, warehousing, fulfillment or distribution capacity. Furthermore, failure to effectively control product damage during distribution process could decrease our operating margins and reduce our profitability.

4. RISK FACTORS *(Cont'd)*

Moving forward, in order to improve efficiency of distributing our products to all our outlets in Klang Valley and those located elsewhere, such as Ipoh, Johor Bahru, Melaka and Penang, our Group shall outsource the delivery services to third party companies and focus on the management of our distribution and warehouse centre.

We do not foresee that the outsourcing of delivery services to third party companies will have any material adverse effect on our Group's profitability, as the costs relating to managing our own delivery services including the maintenance and upkeep of our vehicles are almost the same as to the cost of outsourcing the delivery services.

Whilst our strategy is to outsource delivery services and focus more on the management of our distribution and warehouse centre, there is no assurance that we are able to optimise the management of our distribution centre to meet our customers' demand.

(vii) Our dependency on major suppliers as well as the availability, cost and quality of products we offer

During the Financial Years Under Review, our Group's major suppliers for our pharmaceutical and personal care products comprised Zuellig Pharma Sdn Bhd and DKSH Malaysia Sdn Bhd, which individually supplied more than 10% of our total purchases.

There are risks that our major suppliers may not be able to fulfil our needs and expectations in terms of stock availability and cost. The cessation of suppliers or business relationship with these suppliers may result in our Group having to incur additional time and higher cost in sourcing from new suppliers or other existing suppliers. This may lead to a disruption of our business operation but we can alternatively source from other suppliers for many of our products. Moreover, our Group has established long term business relationship of approximately 19 years with both the major suppliers.

As mitigation to the risk of shortage or interruption of pharmaceutical products, our Group stocks up extra supplies in our warehouse to meet and cushion shortage of supplies, if any. As at LPD, our Group has not experience any shortages in the supply of products that has materially affected our Group's business operations, financial performance and profitability.

In any case, if our suppliers, owing to any reason whatsoever, are not able to constantly provide adequate quantity and/or supply of pharmaceutical products, we may not be able to meet our customers' needs and our customers may purchase from our competitors, which in turn, may affect our business, financial condition and results of operations.

(viii) We may not be able to timely identify or otherwise effectively respond to changing customer preferences, and we may fail to optimise our product offering and inventory position.

The community pharmacy industry in Malaysia is subject to changing customer preferences. Our success depends on our ability to anticipate and identify customer needs/preferences and adapt our product selection to the same. If we fail to anticipate accurately either the market for our products or customers' needs/purchasing habits or fail to respond to customers' changing needs/preferences promptly and effectively, we may not be able to adapt our product selection to customer preferences or make appropriate adjustments to our inventory positions, which could significantly reduce our revenue and have a material adverse effect on our business, financial condition and results of operations.

There is no assurance that our product selection, especially our selections of amongst others, health supplements, personal care products and other products and services, will accurately reflect customer preferences at any given time.

4. RISK FACTORS *(Cont'd)*

- (ix) **Failure to maintain optimal inventory levels could increase our inventory holding costs or cause us to lose sales, either of which could have a material adverse effect on our business, financial condition and results of operations**

We need to maintain sufficient inventory levels to operate our business successfully as well as meet our customers' expectations. However, we must also guard against the risk of accumulating excess inventory. We are exposed to increased inventory risks as a result of our offering of various different products and brands, rapid changes in product life cycles, changing consumer preferences, uncertainty of success of product launches and manufacturer backorders and other vendor-related problems.

It is difficult to forecast the quantum of the sale of any new products introduced in CARING outlets accurately. The purchase of certain types of inventory may require longer lead-time. As we carry a broad selection of products and maintain significant inventory levels for a substantial portion of our merchandise, we may be unable to move our products efficiently thus leading to provisions to be made for the slow moving products in our inventory. Higher level of inventory increases our inventory holding costs whilst failure to have inventory upon a customer's orders may result in lost of sales/contracts which may have a material impact on our business, financial condition and results of operations. As at LPD, our Group has always maintained an optimal inventory level as failure to do so could materially affects the Group's business operations, financial performance and profitability. However, there is no assurance that we can accurately predict the demand trends and events and avoid over/under stocking of products.

- (x) **Reliance on computer software and hardware systems in managing our business operations**

We are dependent upon our integrated information management system to monitor the daily operations of all our retail pharmacy outlets, amongst others sales registers and inventory levels and to maintain accurate and up-to-date operating and financial data for compilation of management information. In addition, we rely on our computer hardware and network for the storage, delivery and transmission of the data of our retail system. Any system failure which causes interruptions to the input, retrieval and transmission of data or increase in the service time could disrupt our daily retail operation.

As at LPD, we are in the process of upgrading our information management systems by installing an enterprise resource planning system ("ERP"), which will fully integrate product selection, procurement, pricing, distribution and retail management processes.

However, we may not be able to achieve desirable results from the installation of such ERP system, and there is no assurance that the installation process will be carried out in a timely manner and will not cause any disruption to our operations. Any failure in our computer software and/or hardware systems may have an adverse effect on our business, financial condition and results of operations. In addition, if the capacity of our computer software and hardware systems fails to meet the increasing needs of our expanding operations, our ability to grow may be constrained.

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4. RISK FACTORS (Cont'd)

(xi) As a retailer of pharmaceutical products, we are exposed to inherent risks in relation to our business

Pharmacies are exposed to risks which are inherent in dispensing pharmaceutical products, such as with respect to improper filling of prescriptions, labeling of prescriptions and adequacy of warnings. Furthermore, our in-store pharmacists offer counseling to our customers about medication, dosage, delivery systems, common side effects and other information. Our in-store pharmacists also have a duty to inform the customers regarding any potential adverse effects of a prescription drug. In the event our pharmacists fail to exercise proper duty of care, our Group may be liable for claims arising from advice given by our pharmacists due to their negligence as well as any damage that may be caused to our Group's reputation. We are of the opinion that the risk associated with our pharmacist not dispensing medicine in accordance with prescription is remote and up to LPD, there has been no claims made by any of CARiNG's customers. Nevertheless, we have procured professional indemnity insurance for our pharmacists to indemnify them for breach of professional duty by reason of any negligent act, error or omission in their professional capacity.

We do not have product liability insurance for our 'Caring' brand of products as the revenue contribution from the range of products is not material. However, we also do not have product liability insurance for the retail of third party brand of products as the liability lies with the relevant product manufacturer. Nevertheless, in the event of a product recall by the manufacturer, we will, together with other affected pharmacies, be obligated to recall affected products. Any product recall may result in adverse publicity on the affected pharmacies including our Group and the products we sold.

As for infringement of intellectual properties on products sold by the CARiNG outlets, we have on 1 April 2013 received a claim for trademark infringement on a free gift item which is packaged together with a third party product by one of our suppliers and sold in our CARiNG outlets. We were not aware of the alleged trademark infringement. However, the supplier, being the distributor of the alleged counterfeit item, has accepted full responsibilities and liabilities in respect of the alleged trademark infringement.

Although we are of the opinion that the risk associated with infringement of intellectual properties on products sold by the CARiNG outlets is minimal as our products are sourced from reliable, established and/or authorised suppliers and distributors, we have taken further steps to include additional internal controls and verification checks to also cover all promotional and free gift items attached to our products. In addition, we have engaged legal advisers to review and further enhance our trading terms with our distributors to provide indemnity for any infringement of trademarks by them.

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4. RISK FACTORS (Cont'd)**(xii) Some of our businesses are conducted through joint ventures**

As part of our Group's plans to expand our market coverage, Caring Joint Venture Scheme has been introduced in 2000. The scheme enables our branch managers who are also pharmacists to participate as business partners in operating community pharmacies under the brand of 'CARiNG'.

During the Financial Years Under Review, the revenue and profit contributed by our wholly-owned outlets and partially-owned outlets are as follows:

| | Audited | | | | | | | |
|--|----------------|---------------|----------------|----------------|----------------|----------------|-----------------|-----------------|
| | FYE 2010 | | FYE 2011 | | FYE 2012 | | FYE 2013 | |
| | (RM' 000) | % | (RM' 000) | % | (RM' 000) | % | (RM' 000) | % |
| Revenue | | | | | | | | |
| Wholly-owned outlets | 89,497 | 52.47 | 97,482 | 47.21 | 107,880 | 43.45 | 116,401 | 38.62 |
| Partially-owned outlets | 81,039 | 47.51 | 108,989 | 52.78 | 140,384 | 56.54 | 184,887 | 61.34 |
| CPRM | 5,876 | 3.45 | 7,543 | 3.65 | 11,164 | 4.50 | 10,307 | 3.42 |
| Total | 176,412 | | 214,014 | | 259,428 | | 311,595 | |
| Inter-company transaction elimination* | (5,846) | (3.43) | (7,513) | (3.64) | (11,144) | (4.49) | (10,178) | (3.37) |
| Consolidated | 170,566 | 100.00 | 206,501 | 100.00 | 248,284 | ^100.00 | 301,417 | ^^100.00 |
| PBT | | | | | | | | |
| Wholly-owned outlets | 13,671 | 68.92 | 18,056 | 75.27 | 22,448 | 83.30 | 26,051 | 87.36 |
| Partially-owned outlets | 5,074 | 25.58 | 5,274 | 21.99 | 5,328 | 19.77 | 5,109 | 17.13 |
| CPRM** | 1,090 | 5.50 | 659 | 2.75 | (829) | (3.08) | (1,334) | (4.47) |
| Total | 19,835 | 100.00 | 23,989 | ^100.00 | 26,947 | ^100.00 | ^^29,819 | ^100.00 |

Notes:

* The quantum of inter-company transaction elimination in respect of management fee, loyalty fee and rental income received by CPRM from its subsidiaries.

** After elimination of inter-company dividends.

^ Figures do not tie up due to rounding.

^^ The figure includes a RM7,000 loss by CARiNG due to pre-operating expenses

Further information on the financial performance of our wholly-owned outlets and partially-owned outlets are set out in Section 11.4.3 of this Prospectus.

All the JVA entered into by the CPRM Group are governed by the laws of Malaysia. Risk may arise where business partners under the Caring Joint Venture Scheme may have different objectives and divergent goals, leading to the lack of willingness to reciprocate. Thus it may lead to decreased benefit to the Group as a whole.

In the event of dispute, the parties submit themselves to the jurisdiction of the Courts of Malaysia and parties are entitled to take any proceedings in any court in Malaysia or elsewhere to enforce the provisions of the JVA.

As at LPD, CARiNG has not experienced any material disputes with its business partners. Nevertheless, there is no assurance that such disputes will not arise in future. In any event, if such disputes were to occur, the parties will submit themselves to the jurisdiction of the Courts of Malaysia.

4. RISK FACTORS *(Cont'd)*

(xiii) Negative Publicity

CARiNG's corporate image may be adversely affected by negative publicity arising from certain issues highlighted in Section 4 - "Risk Factors", such as the exposure to inherent risks in dispensing pharmaceutical products by our pharmacists. Any negative publicity may affect our corporate image, reduce customers' confidence in our pharmacists' services and the products sold in our CARiNG outlets, resulting in reduced patronage to our CARiNG outlets. As such, our revenue and financial performance may be affected.

To date, CARiNG has not experienced any negative publicity that has materially affected our financial performance, operations, brand name and corporate image. We are aware that negative publicity could arise from online complaints, negligent media reporting and word-of-mouth rumors and we will address the negative publicity constructively if any arises. CARiNG will continue to build its customers' trust to preserve and enhance its good reputation.

Nevertheless, there is no assurance that circumstances will not arise in the future which may lead to negative publicity and affect our financial performance, operations, brand name and corporate image.

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4. RISK FACTORS (Cont'd)

4.2 RISKS RELATING TO THE INDUSTRY IN WHICH OUR GROUP OPERATES

(i) Competition

The community pharmacy industry in Malaysia is subjected to normal competition. Based on data up to June 2013, there were 2,205 community pharmacies in Malaysia (*Source: IMR Report*). Our key competitors include other chain community pharmacy outlets and independent community pharmacy outlets. We also face competition from hypermarkets, supermarkets, convenience stores, specialised health food and supplement stores and Chinese Medical Halls that carry some similar range of non-scheduled drug related products. In addition, we also face competition from other healthcare institutions with their in-house dispensary.

We compete for customers and revenue primarily on the basis of store location, merchandise selection, price and services that we offer. We believe that the continued new community pharmacy outlet openings by retail pharmacy operators will further increase competitive pressures in the industry.

Some of our larger competitors may enjoy competitive advantages, such as

- greater financial and other resources;
- larger variety of products;
- more extensive and advanced supply chain management systems;
- greater pricing flexibility;
- larger economies of scale and purchasing power;
- more extensive advertising and marketing efforts;
- greater knowledge of local market conditions;
- stronger brand recognition; and
- larger sales and distribution networks.

As a result, we may be unable to offer products which are similar to, or more desirable than, those offered by our competitors or market our products as effectively as our competitors or otherwise respond successfully to competitive pressures. In addition, our competitors may be able to offer larger discounts on competing products, and we may not be able to profitably match those discounts. Furthermore, our competitors may offer products that are more attractive to our customers or which may render our products uncompetitive. In addition, the timing of the introduction of competing products into the market could affect the market acceptance and market share of our products. Our failure to compete successfully could materially and adversely affect our business, financial condition, results of operation and prospects.

Although we seek to continue to adopt appropriate strategies to remain competitive, there is no assurance that our Group will be able to continually compete successfully against current and future competitors, or that competitive pressures will not materially and adversely affect our Group's business, operations, results and/or financial conditions.

4. RISK FACTORS *(Cont'd)*

(ii) **Changes in economic and social conditions and consumer preferences and spending patterns**

Our Group's business and revenue growth is primarily subject to prevailing economic, political, social and legal conditions. Any adverse changes in the aforementioned condition could materially affect our revenue and profitability. Negative changes which may impact consumer spending include unemployment levels, level of interest rate, levels of personal disposable income, availability of debts, tax rates, etc.

As our Group focuses on the expansion of retail pharmacy outlet in major urban centres, amongst others, Selangor, Kuala Lumpur, Johor Bahru, Perak, Melaka and Penang where living standards and consumer purchasing power are relatively high, we are especially susceptible to changes in economic conditions, consumer confidence and customer preferences of the urban population. Changes in economic conditions and consumer confidence could adversely affect consumer preferences, purchasing power and spending patterns. Any of these factors could have a material adverse effect on our business, financial condition and results of operations.

(iii) **Shortage of Fully Registered Pharmacists**

The operation of community pharmacies is highly dependent on fully registered pharmacists. This is because the dispensing of scheduled drugs can only be carried out by a fully registered pharmacist in a community pharmacy. In 2012, Malaysia was short of approximately 30% of the number of pharmacists as recommended by the World Health Organisation. As such, there is a risk that the shortage or difficulties in hiring fully registered pharmacists may impede our growth plans of community pharmacies. In addition, the relatively low capital and set-up costs may encourage pharmacists to open their own independent pharmacies which will increase the risk of shortage of potential partners or pharmacists for our Group.

The shortage of pharmacists is mitigated by the supply of graduate pharmacists from local and overseas universities. Within public and private higher education institutions in Malaysia, the number of pharmacy student enrolment has been relatively stable where it registered a marginal decline in average annual rate of 0.3% between 2008 and 2012. Nevertheless, the number of pharmacy student enrolment in Malaysia grew by 12.8% in 2012. This is also supplemented by overseas universities that offer recognised pharmacy courses to Malaysian students. In addition, between 2008 and 2012, the number of provisionally registered pharmacists recorded an AAGR of 13.7% indicating potentially a strong flow of supply of fully registered pharmacists into the Malaysian market (*Source: IMR Report*).

As at LPD, we have not experienced any material difficulties in engaging fully registered pharmacists for our existing and new community pharmacy outlets. Nevertheless, there is no assurance that any shortage of fully registered pharmacists will not materially affect our business and financial operations.

(iv) **Pilferages and Robbery**

Community pharmacies operate in a retail environment that is open to the public, and cash payment constitutes a large proportion of all sales transactions. Therefore, community pharmacy operators are exposed to the risk of pilferages by internal staff and external customers, as well as exposed to the potential risk of robbery (*Source: IMR Report*).

We have put in place certain preventive measures and operational procedures that would deter employees and customers from committing acts of pilferages and robbery. Some of these include the following:

- Installation of alarms and cameras at our community pharmacies;
- Staff purchase items can only be claimed when employees leave work for the day;

4. **RISK FACTORS** *(Cont'd)*

- Stock items yet to be displayed on shelves and retail floor areas must be kept in storage areas;
- Random checks conducted by supervisors on goods received by employees from suppliers;
- Stock check on goods received without the presence of suppliers;
- Use of Point-of-Sale (POS) system for cashier operation whereby the system is linked to our head office;
- At least two rotations of cashier operations per day with one cashier staff per session;
- Cash collection to be counted and recorded by branch managers/pharmacists and kept and locked in designated area;
- In the event of cash shortages in the cashier drawers, the shortage amount will be deducted from cashier's salary;
- Fixed maximum value for cash allowed in the cashier drawer at one time;
- Practice half day bank-in policy with a bank-in interval of not more than two banking days for outlets located within a considerable distance from the nearest bank; and
- Display empty boxes on shelves for high-value items.

Although we have put in place various preventive measures and operational procedures to deter pilferages and robbery, there is no assurance that such events would not materially affect our business and financial performances.

4.3 **RISKS RELATING TO INVESTMENT IN OUR SHARES**

(i) **No Prior Market for Our Shares**

Prior to our IPO, there has been no prior public market for our Shares. There can be no assurance that an active market for our Shares will develop or be sustained after our Listing or that the market price of our Shares will not decrease below the IPO Price. We believe that a variety of factors could cause our Share price to fluctuate and such fluctuation may adversely affect the market price of our Shares.

The IPO Price has been determined after taking into consideration a number of factors, including but not limited to, our Group's financial, operating history and condition, our competitive strengths and advantages, the prospects of our Group and the industry in which our Group operates, the management, the market prices for shares of companies engaged in business similar to that of our Group and the prevailing market conditions. There can be no assurance that the IPO Price will correspond to the price at which our Shares will trade on the Main Market of Bursa Securities upon or subsequent to our Listing.

(ii) **Capital Market Risks and Share Price Volatility**

The performance of the local bourse is very much dependent on external factors such as the performance of the regional and world bourses and the flows of foreign funds. Sentiments are also largely driven by internal factors such as the economic and political conditions in Malaysia as well as the growth potential of the various sectors of the economy. These factors invariably contribute to the volatility of trading volumes witnessed on Bursa Securities, thus adding risk to the market price of the listed securities.

In addition, the market price of our Shares may be highly volatile and could fluctuate significantly and rapidly in response to, amongst others, the following factors, some of which are beyond our control:

- (a) difference between our actual financial and operating results and those expected by investors and analyst;
- (b) success or failure of our management team in implementing business and growth strategies;

4. RISK FACTORS (Cont'd)

- (c) changes in securities analysts' recommendations, perceptions or estimates of our Group's financial performance;
- (d) changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other events or factors;
- (e) changes in market valuations and share prices of companies with similar businesses to our Company that may be listed on Bursa Securities;
- (f) additions or departures of key personnel;
- (g) fluctuation in stock market prices and volume; or
- (h) involvement in litigation, arbitration or other form of dispute resolution.

Nevertheless, our profitability is not dependent on the performance of Bursa Securities as our business activities have no direct correlation with the performance of securities listed on Bursa Securities.

Although we are committed to ensure the sound management of our business, there is no assurance that our Share price will not be subject to volatility due to market sentiments.

(iii) Control by Our Promoters

Upon our Listing, our Promoters, as set out in Section 8.1 of this Prospectus, will hold approximately 67.43% of our enlarged issued and paid-up share capital. As a result, they will still be able to, in the foreseeable future, effectively control our business direction and management as well as influence the outcome of certain matters requiring the vote of our shareholders unless our Promoters are required to abstain from voting by law and/or by the relevant guidelines or regulations.

Furthermore, as a step towards good corporate governance and to mitigate the abovementioned risk, we have appointed two (2) Independent Non-Executive Directors to enhance and promote transparency in all material transactions and have set up an Audit Committee to ensure that, *inter alia*, all future transactions involving related parties, if any, are entered into on an arms' length basis, or normal commercial terms that are not more favourable to the related parties than those generally available to third parties and are not to the detriment of our minority shareholders.

In addition, to avoid any potential conflict of interest situation, Jitumaju has given an undertaking to CARiNG not to be involved in its business direction and management, amongst others, as set out in Section 10.4 of this Prospectus.

(iv) Payment of Dividends

We are principally an investment holding company and our core operations are carried out through our subsidiaries. Therefore, the availability of funds for us to pay dividends or make other distributions to our shareholders depends upon dividends or other distributions to be declared by our subsidiaries.

If our subsidiaries incur losses or has cash flow constraints, this may impair our subsidiaries' ability to declare dividends or other distributions to us. As a result, our ability to pay dividends will be restricted. In addition, restrictive covenants in bank credit facilities or other agreements that we or our subsidiaries may enter into in the future may also restrict the ability of our subsidiaries to make contributions to us and our ability to receive distributions. Therefore, these restrictions on the availability and usage of our major source of funding may impact our ability to pay dividends to our shareholders.

4. RISK FACTORS (Cont'd)

Our ability to pay dividends or make other distributions to our shareholders is also subject to the future financial performance and cash flow position of our Group. There is no assurance that we will be able to distribute dividends to our shareholders as a result of the abovementioned factors. There is also no assurance that we will be able to record profits and have sufficient funds for our funding requirements, other obligations and business plans to declare dividends to our shareholders. Please refer to Section 11.5 of this Prospectus for details on our dividend policy.

(v) Future Fund Raisings May Dilute Shareholders' Equity and/or Restrict Our Operations

We may require additional funding for our future growth. This may result in dilution of our shareholders' equity or restrictions imposed by additional debt funding.

Our capital requirements are dependent on, amongst others, our business, the availability of our resources for attracting, maintaining and enlarging our customer base and the need to maintain and expand our production facilities. Thus, we may need additional capital expenditure for mergers and acquisitions or investments. Any issue of Shares or other securities to raise funds will dilute shareholders' equity interests and may, in the case of a rights issue, require additional investments by shareholders.

Further, an issue of Shares below the then prevailing market price will also affect the value of Shares then held by investors. Dilution in shareholders' equity interests may occur even if the issue of Shares is at a premium to the market price. In addition, any additional debt funding would increase our gearing ratio and may restrict our freedom to operate our business as it may have conditions that:

- (a) limit our ability to pay dividends or require us to seek consents for the payment of dividends;
- (b) increase our vulnerability to general adverse economic and industry conditions;
- (c) require us to dedicate a portion of our cash flow from operations to repayments of our debt, thereby reducing the availability of our cash flow for capital expenditures, working capital and other general corporate purposes; and
- (d) limit our feasibility in planning for, or reacting to, changes in our businesses and our industry.

We practice prudent financial management to monitor our capital expenditure requirements, cash flow position and gearing level at a manageable level to ensure minimal disruption to our expansion plans. If we fail to obtain additional funds to meet the requirements for our business, merger and acquisition plans or investments, we may not be able to implement future plans that are essential to our continued growth.

(vi) Failure or Delay in Our Listing

The occurrence of any one or more of the following events, which is not exhaustive, may cause a delay in or cancellation of our Listing on the Main Market of Bursa Securities:

- (a) the identified investors fail to subscribe to the portion of IPO Shares intended to be placed to them although they have furnished their irrevocable undertaking letters to subscribe for such Shares;
- (b) the Underwriters exercising its rights pursuant to the Underwriting Agreement to discharge itself from its obligations thereunder;

4. RISK FACTORS (Cont'd)

- (c) we are unable to meet the public spread requirement as determined by Bursa Securities, i.e. at least 25% of our enlarged issued and paid-up share capital must be held by a minimum number of 1,000 public shareholders holding not less than 100 Shares each at the point of our Listing; or
- (d) we are unable to obtain permission from Bursa Securities for our Admission to the Official List and for the quotation of our entire enlarged issued and paid-up share capital on the Main Market of Bursa Securities.

In such an event, our Board will endeavour to take the necessary steps in the best interests of the shareholders as well as the economic conditions at that point in time, including, subject to restrictions set out below, return in full without interest, all monies paid in respect of any Applications accepted.

If such monies are not paid within 14 days after we become liable to repay it, then, pursuant to Section 243(2) of the CMSA, we will become liable to repay the monies with interest at the rate of 10% per annum or such other rate as may be prescribed by the SC upon expiration of that period until full refund is made.

In the event that the Listing is aborted and our Shares have been allotted to the shareholders, a return of monies to shareholders may be effected by way reduction of our share capital. A capital reduction would require the approval by special resolution of our shareholders and approval of the courts.

Further, such capital reduction shall not be effected if on the date the reduction is to be effected, there are reasonable grounds for believing that we are, or after the reduction would be, unable to pay our liabilities as they become due.

There can be no assurance that monies can be recovered within a short period of time, or at all. If Bursa Securities does not admit our Shares for Listing, the market for our Shares will be illiquid and it may not be possible to trade our Shares. This may also have a materially adverse effect on the value of our Shares.

Our Directors will endeavour to ensure compliance with the various requirements for our successful Listing.

(vii) Disclosure Regarding Forward-Looking Statements

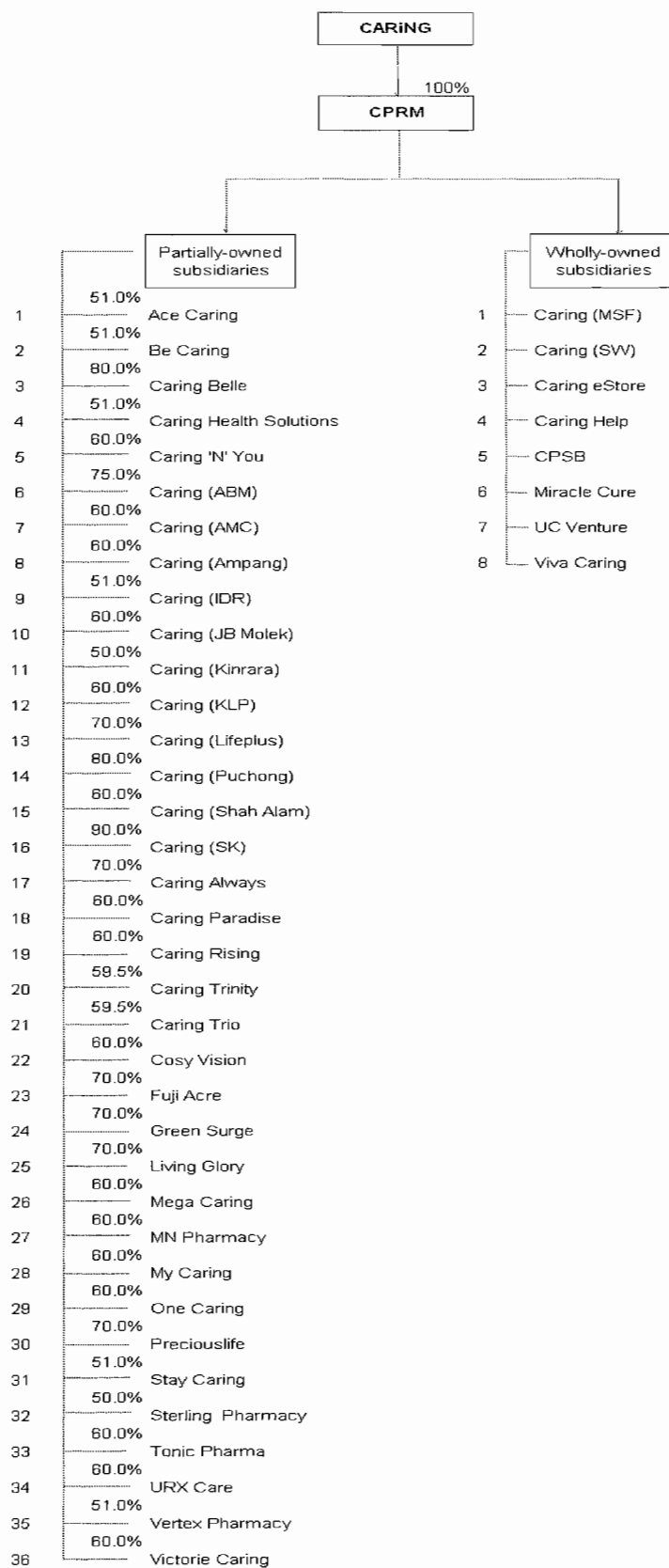
Certain statements in this Prospectus are based on historical data that may not be reflective of the future results, whilst others are forward-looking in nature and are subject to uncertainties and contingencies. All forward-looking statements are based on expectations and assumptions made by our Board and although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied in such forward looking statements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

The inclusion of such forward-looking statements in this Prospectus should not be regarded as a representation or warranty by us or our Adviser, that our plans and objectives will be achieved.

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5. INFORMATION ON OUR GROUP

5.1 GROUP STRUCTURE



5. INFORMATION ON OUR GROUP (Cont'd)

The details of our subsidiaries including the details of their respective community pharmacy outlet(s) are as follows:

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|---|--|----------------------|--|---|--|--|
| | | | | | Address | Type |
| Wholly-owned subsidiary of CARiNG | | | | | | |
| CPRM | 26 December 2006/ Malaysia (757411-U) | 100 | 2,310,918 | Investment holding and provision of management services | - | - |
| Wholly-owned subsidiaries of CARiNG vide CPRM | | | | | | |
| Caring (MSF) | 10 February 2009/ Malaysia (846171-V) | 100 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) Lot 11, Tingkat UG 1 Publika, Solaris Dutamas Jalan Dutamas 1 50480 Kuala Lumpur Wilayah Persekutuan (ii) Lot L2-60 & 60A Mines Shopping Fair Jalan Dulang Mines Resort City 43300 Seri Kembangan Selangor Darul Ehsan | Shopping complex outlet Shopping complex outlet |
| Caring (SW) | 20 February 2009/ Malaysia (847445-W) | 100 | 300,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) Lot C39, Tingkat Concourse Plaza Sungei Wang Jalan Sultan Ismail 55100 Kuala Lumpur Wilayah Persekutuan (ii) No. 61, Jalan Prima SG 3/1 Prima Sri Gombak 68100 Batu Caves Selangor Darul Ehsan | Shopping complex outlet Street outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|---------------|---|-------------------|-------------------------------------|--|--|-------------------------|
| | | | | | Address | Type |
| Caring eStore | 8 December 2009/ Malaysia (881773-W) | 100 | 2 | Internet sales and warehouse sales of healthcare and personal care products | - | - |
| Caring Help* | 10 July 2013/ Malaysia (1053702-X) | 100 | 2 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | - | - |
| CPSB | 21 April 1994/ Malaysia (296901-H) | 100 | 1,000,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) No. G02 (GF) Aeon Ipoh Station 18 Station 18, 31650 Ipoh Perak Darul Ridzuan | Shopping complex outlet |
| | | | | | (ii) Lot 1076, Jalan 17/29 Happy Garden, Section 17 46400 Petaling Jaya Selangor Darul Ehsan | Street Outlet |
| | | | | | (iii) No. 31, Jalan 21/17, Sea Park 46300 Petaling Jaya Selangor Darul Ehsan | Street Outlet |
| | | | | | (iv) B6 Basement 1, One Utama Shopping Centre Lebuhr Bandar Utama 47800 Petaling Jaya Selangor Darul Ehsan | Shopping complex outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|--------------|---|-------------------|-------------------------------------|----------------------|--|-------------------------|
| | | | | | Address | Type |
| | | | | | (v) Lot G6, Pasaraya Jusco Anggun Rawang No. 1, Persiaran Anggun, 48000 Taman Anggun, Rawang Selangor Darul Ehsan | Shopping complex outlet |
| | | | | | (vi) Lot G9 & G10, Mid Point Shopping Centre Jalan Pandan Indah 1/25 Taman Pandan Indah 55100 Kuala Lumpur Wilayah Persekutuan | Shopping complex outlet |
| | | | | | (vii) No. 28, Jalan Bunga Tanjung 9 Taman Muda, Cheras 56100 Kuala Lumpur Wilayah Persekutuan | Street outlet |
| | | | | | (viii) Lot 20 E-H, LG Floor, Subang Parade, 47500 Subang Jaya Selangor Darul Ehsan | Shopping complex outlet |
| | | | | | (ix) No. 18 Jalan Sembilang Taman Tenaga, Off Jalan Cheras 56000 Kuala Lumpur Wilayah Persekutuan | Street outlet |
| | | | | | (x) No. 26, Jalan Ambar Off Jalan Ipoh, Taman Kok Lian 51200 Kuala Lumpur Wilayah Persekutuan | Street outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|--------------|---|-------------------|-------------------------------------|----------------------|--|-------------------------|
| | | | | | Address | Type |
| | | | | | (xi) No. 21, Jalan Hujan Rahmat Taman Overseas Union 58200 Kuala Lumpur Wilayah Persekutuan | Street outlet |
| | | | | | (xii) Lot 3, Ground Floor, Hartamas Shopping Centre No. 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Wilayah Persekutuan | Shopping complex outlet |
| | | | | | (xiii) Lot G38, Ground Floor, Ipoh Parade, No. 105, Jalan Sultan Abdul Jalil, Greentown 30450 Ipoh, Perak Darul Ridzuan | Shopping complex outlet |
| | | | | | (xiv) Lot G113, Ground Floor, Centro Mall, No. 8, Jalan Batu Tiga Lama, 41300 Klang Selangor Darul Ehsan | Shopping complex outlet |
| | | | | | (xv) 19, Jalan Prima Setapak 3, 53100 Prima Setapak, Kuala Lumpur | Street outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|---------------|---|-------------------|-------------------------------------|--|--|---|
| | | | | | Address | Type |
| Miracle Cure* | 25 March 2013/ Malaysia (1039695-P) | 100 | 2 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | - | - |
| UC Venture | 4 May 2005/ Malaysia (690348-H) | 100 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) No. I-19, Tingkat Bawah Jalan 1/21, Section 1 46000 Petaling Jaya Selangor Darul Ehsan (ii) Lot LG 2.77, Lower Ground Floor Sunway Pyramid No. 3, Jalan PJS 11/15 Bandar Sunway 46150 Petaling Jaya Selangor Darul Ehsan | Street outlet Shopping complex outlet |
| Viva Caring | 25 April 2000/ Malaysia (512540-T) | 100 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) No. 9, Jalan Barat Bangunan Kon Kee San 46200 Petaling Jaya Selangor Darul Ehsan (ii) No. 12, Persiaran Ara Kiri, Lucky Garden, Bangsar 59100 Kuala Lumpur Wilayah Persekutuan (iii) No. 22, Jalan Radin Anum 1 Taman Sri Petaling 57000 Kuala Lumpur Wilayah Persekutuan | Street outlet Street outlet Street outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|--|---|-------------------|-------------------------------------|--|--|--|
| | | | | | Address | Type |
| | | | | | (iv) Lot G8, Tingkat Bawah Bangsar Village Shopping Centre No. 1, Jalan Telawi 1, Bangsar Baru, 59100 Kuala Lumpur Wilayah Persekutuan | Shopping complex outlet |
| | | | | | (v) Lot 13 & 13A, The Store Supermarket Jalan Radin Tengah Taman Sri Petaling 57000 Kuala Lumpur Wilayah Persekutuan | Shopping complex outlet |
| Partially-owned subsidiaries of CARiNG vide CPRM | | | | | | |
| Ace Caring | 3 August 2007/ Malaysia (783350-D) | 51.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) No. LG29 & 30, LG Floor SSTwo Mall Shopping Centre 40 Jalan SS2/72 47400 Petaling Jaya Selangor Darul Ehsan (ii) No. 17, Jln USJ 10/1E 47620 UEP Subang Jaya Selangor Darul Ehsan | Shopping complex outlet Street outlet |
| Be Caring | 31 March 2003/ Malaysia (610579-X) | 51.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) No. 13, Jalan 14/20, Section 14 46100 Petaling Jaya Selangor Darul Ehsan | Street outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|-------------------------|---|-------------------|-------------------------------------|--|---|---------------------------|
| | | | | | Address | Type |
| | | | | | (ii) No. 8, Jalan PJU 7/4 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan | Specialised retail centre |
| Caring Belle | 16 February 2001/ Malaysia (539411-A) | 80.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | No. 36, Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan | Street outlet |
| Caring Health Solutions | 10 January 2007/ Malaysia (758693-P) | 51.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) No. 94, Jalan Burhanuddin Helmi Taman Tun Dr Ismail 60000 Kuala Lumpur Wilayah Persekutuan | Street outlet |
| | | | | | (ii) Lot B-10-G, Ground Floor Sunway Giza No. 2 Jalan PJU 5/14 Sunway Damansara Kota Damansara 47810 Petaling Jaya Selangor Darul Ehsan | Street outlet |
| Caring 'N' You | 23 August 2007/ Malaysia (785860-D) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | 30, Jalan Yew, Pudu Pasar 55100 Kuala Lumpur | Street outlet |
| Caring (ABM) | 25 September 2009/ Malaysia (873196-M) | 75.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) G08, Ground Floor, AEON Bandaraya Melaka No. 2, Jalan Lagenda Taman I-Lagenda 75400 Melaka Melaka Darul Azim | Shopping complex outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|-----------------|---|-------------------|-------------------------------------|--|---|--|
| | | | | | Address | Type |
| | | | | | (ii) Lot F12, First Floor, Mahkota Parade No. 1, Jalan Merdeka 75000, Melaka Darul Azim | Shopping complex outlet |
| Caring (AMC) | 30 September 2009/ Malaysia (873532-U) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | Lot G07, Ground Floor, AEON Mahkota Cheras Shopping Centre Jalan Temenggung 21/9 Persiaran Mahkota Cheras 1 Bandar Mahkota Cheras, 43200 Cheras Selangor Darul Ehsan | Shopping complex outlet |
| Caring (Ampang) | 14 July 2008/ Malaysia (825266-W) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) Tesco Ampang, PT 8880 Jalan Pandan Prima Dataran Pandan Prima 55100 Kuala Lumpur Wilayah Persekutuan (ii) Lot 9179, Jalan Negara Taman Melawati 53100 Kuala Lumpur Wilayah Persekutuan | Specialised retail centre Street outlet |
| Caring (IDR) | 22 September 2011/ Malaysia (961134-H) | 51.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) Lot 5B-04A/1, Ground Floor Kompleks Pengangkutan Awam Larkin Jalan Geroda 80350 Johor Bahru Johor Darul Takzim | Street outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|-------------------|---|-------------------|-------------------------------------|--|---|---------------------------|
| | | | | | Address | Type |
| Caring (JB Molek) | 15 July 2011/ Malaysia (952979-M) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (ii) No. 29, Jalan Medan Nusa Perintis 6, Taman Nusa Perintis 2 81550 Gelang Patah Johor Darul Takzim | Street outlet |
| | | | | | (iii) No. 274, Jalan Simbang Taman Perling 80150 Johor Bahru Johor Darul Takzim | Street outlet |
| | | | | | (iv) No. 32G, Jalan Bestari 2/2 Taman Nusa Bestari 81300 Skudai Johor Darul Takzim | Street outlet |
| | | | | | (v) Tesco Bukit Indah No. 1, Jalan Indah 15 Taman Bukit Indah 81200 Johor Bahru Johor Darul Takzim | Specialised retail centre |
| | | | | | (i) No. 14, Jalan Molek 2/1 Taman Molek 81100 Johor Bahru Johor Darul Takzim | Street outlet |
| | | | | | (ii) Lot G-08C & 9C, Little Red Cube Persiaran Puteri Selatan Puteri Harbour 79000 Nusajaya Johor Darul Takzim | Street Outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|-------------------|---|-------------------|-------------------------------------|--|--|---------------------------|
| | | | | | Address | Type |
| Caring (Kinrara) | 1 June 2000/ Malaysia (515698-K) | 50.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) No. 19A, Jalan TK1/11A Taman Kinrara, Seksyen 1 47180 Puchong Selangor Darul Ehsan | Street outlet |
| | | | | | (ii) Lot EG 15 & 16, Ground Floor, IOI Mall Batu 9, Jalan Puchong Bandar Puchong Jaya 47170 Puchong Selangor Darul Ehsan | Shopping complex outlet |
| Caring (KLP) | 11 June 2007/ Malaysia (776548-H) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) Lot 1.23, Level 1, Pavilion KL Shopping Mall No. 168, Jalan Bukit Bintang 55100 Kuala Lumpur Wilayah Persekutuan | Shopping complex outlet |
| | | | | | (ii) Lot No. 1-43, First Floor, Fahrenheit 88 No. 179, Jalan Bukit Bintang 55100 Kuala Lumpur Wilayah Persekutuan | Shopping complex outlet |
| Caring (Lifeplus) | 11 November 2011/ Malaysia (968014-D) | 70.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | No. 37, Jalan SS21/37 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan | Street outlet |
| Caring (Puchong) | 6 November 2008/ Malaysia (837657-X) | 80.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | No. 148-149, Pusat Bandar Puchong Jalan Bandar 3, Off Jalan Puchong, 47100 Puchong Selangor Darul Ehsan | Specialised retail centre |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|--------------------|---|-------------------|-------------------------------------|--|---|-------------------------|
| | | | | | Address | Type |
| Caring (Shah Alam) | 15 July 2011/ Malaysia (952977-A) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | Lot 2A, LG Floor, Plaza Shah Alam No. 2, Jalan Tengku Ampuan Zabedah E9/E, Seksyen 9 40100 Shah Alam Selangor Darul Ehsan | Shopping complex outlet |
| Caring (SK) | 2 June 2011/ Malaysia (947306-U) | 90.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | No. 5A, Jalan Besar 43300 Sri Kembangan Selangor Darul Ehsan | Street outlet |
| Caring Always | 8 April 2010/ Malaysia (897754-A) | 70.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | No. 30, Tingkat Bawah, Jalan Midah Besar, Taman Midah 56000 Kuala Lumpur Wilayah Persekutuan | Street outlet |
| Caring Paradise | 15 March 2012/ Malaysia (982479-P) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | G-11, Jalan SP 2 Taman Segar Perdana 43200 Cheras Selangor Darul Ehsan | Street outlet |
| Caring Rising | 2 May 2013/ Malaysia (1044604-D) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | 22, Jalan Manis 4, Taman Segar, Cheras, 56100 Kuala Lumpur Wilayah Persekutuan | Street Outlet |
| Caring Trinity* | 2 May 2013/ Malaysia (1044606-P) | 59.50 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | - | - |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|--------------|---|-------------------|-------------------------------------|--|---|--|
| | | | | | Address | Type |
| Caring Trio | 31 March 2012/ Malaysia (1004207-T) | 59.50 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | LG 32 & 33, LG Floor, Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Wilayah Persekutuan | Shopping complex outlet |
| Cosy Vision | 1 November 2012/ Malaysia (1023064-T) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | 12, Ground Floor, Jalan Raja Haroun 43000 Kajang Selangor Darul Ehsan | Street outlet |
| Fuji Acre | 4 March 2013/ Malaysia (1036832-M) | 70.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) Lot LG 19 (Postal LG-12B), Queensbay Mall No 100, Persiaran Bayan Indah Bayan Lepas 11900 Pulau Pinang (ii) Lot 163D-LG-01B, Gurney Paragon Persiaran Gurney 10250 Pulau Pinang | Shopping complex outlet Shopping complex outlet |
| Green Surge | 8 July 2010/ Malaysia (907199-H) | 70.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | F-02-G, Blok F, Setiawalk Persiaran Wawasan Pusat Bandar Puchong 47160 Puchong Selangor Darul Ehsan | Street outlet |
| Living Glory | 7 October 2011/ Malaysia (963210-H) | 70.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | Lot LG 62, LG Floor, Setia City Mall No. 7, Persiaran Setia Dagang Seksyen U13, Bandar Setia Alam 40170 Shah Alam Selangor Darul Ehsan | Shopping complex outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|--------------|---|-------------------|-------------------------------------|--|---|--|
| | | | | | Address | Type |
| Mega Caring | 5 October 2012/ Malaysia (1019846-V) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | No. 45, Jalan Pandan 3/3, Pandan Jaya 55100 Kuala Lumpur Wilayah Persekutuan | Street Outlet |
| MN Pharmacy | 23 April 2004/ Malaysia (650272-T) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | No. 7, Jalan Kuchai Maju 1, Dynasty 2 Off Jalan Kuchai Lama 58200 Kuala Lumpur Wilayah Persekutuan | Street outlet |
| My Caring | 21 April 2009/ Malaysia (854236-U) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | Lot LG 16, Empire Shopping Gallery Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan | Shopping complex outlet |
| One Caring | 3 February 2010/ Malaysia (88822-W) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) Lot No. 2, GL2, No. 1, 1 Mont' Kiara 50480 Kuala Lumpur Wilayah Persekutuan (ii) Ground Floor, Level 2, Plaza Jelutong Persiaran Gerbang Utama Bukit Jelutong, Shah Alam 40150 Selangor Darul Ehsan | Shopping complex outlet Shopping complex outlet |
| Preciouslife | 30 May 2008/ Malaysia (819638-M) | 70.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | Lot LG-060A, LG Floor, Mid Valley Megamall Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Wilayah Persekutuan | Shopping complex outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|-------------------|---|-------------------|-------------------------------------|--|---|-------------------------|
| | | | | | Address | Type |
| Stay Caring | 3 August 2004/ Malaysia (661575-M) | 51.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) Lot No. F-G-03A, Ground Floor, Glomac Square Jalan SS 6/5B 47301 Petaling Jaya Selangor Darul Ehsan | Street outlet |
| | | | | | (ii) No. 22G, Jalan SJ 3 Taman Selayang Jaya 68100 Batu Caves, Selangor Darul Ehsan | Street outlet |
| | | | | | (iii) Lot LG-45, LG Floor, Paradigm Mall No. 1, Jalan SS7/26A Kelana Jaya, 47301 Petaling Jaya Selangor Darul Ehsan | Shopping complex outlet |
| Sterling Pharmacy | 2 April 2002/ Malaysia (575790-U) | 50.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) No. 18 & 20, Jalan Kasawari 8 Taman Eng Ann 41150 Klang Selangor Darul Ehsan | Street outlet |
| | | | | | (ii) Lot S21, 2 nd Floor, AEON Bukit Tinggi Shopping Complex No. 1, Jaya Jusco Shopping Centre Persiaran Batu Nilam 1/KS6 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan | Shopping complex outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation / (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|--------------|---|-------------------|-------------------------------------|--|---|---------------------------|
| | | | | | Address | Type |
| Tonic Pharma | 4 July 2007/ Malaysia (779489-D) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (iii) No. 9, Jalan USJ 2/2C 47600 Subang Jaya Selangor Darul Ehsan | Street outlet |
| | | | | | (iv) C6, Jalan SS15/4D 47500 Subang Jaya Selangor Darul Ehsan | Street outlet |
| | | | | | (i) LG-03A & LG-05 LG Floor, Tropicana City Mall No. 3, Jalan SS20/27 47400 Petaling Jaya Selangor Darul Ehsan | Shopping complex outlet |
| | | | | | (ii) No. 15, Jalan Tanjung SD 13/1 Bandar Sri Damansara 52200 Kuala Lumpur Wilayah Persekutuan | Street outlet |
| URX Care | 31 March 2010/ Malaysia (896651-V) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) No. 3, Jalan 7A/62A Bandar Manjalara 52200 Kuala Lumpur Wilayah Persekutuan | Specialised retail centre |
| | | | | | (ii) No. 31, Jalan Burung Jentayu Taman Bukit Maluri 52200 Kepong, Kuala Lumpur Wilayah Persekutuan | Street outlet |

5. INFORMATION ON OUR GROUP (Cont'd)

| Subsidiaries | Date and place of incorporation/ (Company no.) | Equity interest % | Issued and paid-up share capital RM | Principal activities | Community Pharmacy Outlet | |
|-----------------|---|----------------------|--|--|--|---------------------------|
| | | | | | Address | Type |
| Vertex Pharmacy | 7 July 2008/ Malaysia (824229-W) | 51.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | (i) LG 71 & 72, KSL City, Jalan Seladang, Taman Abad, 80250 Johor Bahru Johor Darul Takzim | Shopping complex outlet |
| | | | | | (ii) Tesco Desa Tebrau No. 1, Persiaran Desa Tebrau Taman Desa Tebrau 81100 Tebrau, Johor Bahru Johor Darul Takzim | Specialised retail centre |
| | | | | | (iii) L1-086, L1-087, L1-088, Level 1, Sutera Mall No. 1, Jalan Sutera Tanjung 8/4 Taman Sutera Utama 81300 Skudai, Johor Bahru Johor Darul Takzim | Shopping complex outlet |
| | | | | | (iv) Lot 14, Aras 3, Bangunan JB Sentral, Jalan Jim Quee, 80300 Johor Bahru, Johor Darul Takzim | Shopping complex outlet |
| Victorie Caring | 16 December 2009/ Malaysia (882809-W) | 60.00 | 100,000 | Operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products | No. 12, Jalan 23/70A Desa Sri Hartamas 50480 Kuala Lumpur Wilayah Persekutuan | Street outlet |

Note:

* The establishment of these subsidiaries are to facilitate the opening of new outlets in the future.

Further details on our subsidiaries are set out in Section 5.6 of this Prospectus.

5. INFORMATION ON OUR GROUP *(Cont'd)*

5.2 HISTORY AND BUSINESS OVERVIEW OF OUR GROUP

5.2.1 Information on CARiNG

CARiNG was incorporated in Malaysia on 30 July 2012 under the Act as a private limited company under the name of Caring Pharmacy Group Sdn Bhd. On 24 October 2012, the Company was converted to a public limited company to serve as the investment holding company of CPRM and its subsidiaries.

As at 13 February 2013, the authorised share capital of CARiNG is RM500,000,000 comprising 500,000,000 ordinary shares of RM1.00 each. Subsequent to the Acquisition, the issued and paid-up share capital of CARiNG increased from RM3 to RM182,706,400 comprising 182,706,400 ordinary shares of RM1.00 each.

CARiNG is principally an investment holding company whilst our subsidiaries are principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

5.2.2 History of our Business

We are primarily an operator of a chain of community pharmacies under the brand of 'CARiNG' in Malaysia. Our chain of community pharmacies include wholly-owned and partially-owned outlets. Each of our community pharmacies has a full time pharmacist to service our customers during retail operating hours.

The history of our business can be traced back to 1994 with the incorporation of CPSB. The principal activity of the company has always been in the operation of community pharmacy. CARiNG Group is currently led by our Managing Director, Mr Chong Yeow Siang, who has been instrumental in developing the strategic direction of our Group, bringing with him approximately 20 years of experience as a pharmacist. He is supported by our Executive Directors Mr Soo Chan Chiew and Mr Tan Lean Boon, both with extensive experience as pharmacists, have contributed significantly to the development, growth, and success of our Group.

We commenced operations in 1994 through the opening of our first 'CARiNG' community pharmacy in Taman Muda, Cheras, Kuala Lumpur. This was followed by our second 'CARiNG' community pharmacy in Taman Tenaga, Cheras, Kuala Lumpur in 1995.

To support our growing community pharmacy operations at that time, we set up a small support and administration office in SEA Park, Petaling Jaya, Selangor in 1998. Subsequently as part of our plans to expand our market coverage, we launched our CARiNG Joint Venture Scheme in 2000. The scheme enabled our pharmacists in branch manager positions with at least one year of working experience in our 'CARiNG' community pharmacy to participate as business partners in operating community pharmacies under the brand of 'CARiNG'. Under the scheme, we normally maintain a shareholding of 50% or more and management control over the operations. During the same year in 2000, we opened our first 'CARiNG' community pharmacy in Taman Kinrara, Puchong, Selangor under the joint-venture scheme. As at LPD, we have 26 wholly-owned and 59 partially-owned community pharmacies.

In 2002, we set-up our first warehouse in Taman Overseas Union Garden ("Taman OUG"), Kuala Lumpur to serve as the central distribution centre for our chain of community pharmacies in Klang Valley.

5. INFORMATION ON OUR GROUP *(Cont'd)*

In 2003, we moved from our support and administration office in SEA Park, Petaling Jaya, Selangor to our new head office in Taman OUG, Kuala Lumpur, located nearby our warehouse, to enhance our operational efficiency. During the same year, we opened our first community pharmacy in a shopping complex, namely, 1 Utama Shopping Centre in Selangor. As at LPD, we have 36 community pharmacies located in shopping complexes in Malaysia.

In 2007, we moved to our current head office with warehousing facilities in Old Klang Road, Kuala Lumpur. The facilities are owned by one of our related parties, namely CPH. During the same year, to streamline our business operations, we underwent an internal restructuring by setting up CPRM as the investment holding company for all of our subsidiaries that are involved in operation of community pharmacies. We also acquired the remaining 50% of equity stakes in Viva Caring, our initial joint-venture partner that had five (5) community pharmacies. As a result, Viva Caring became our wholly-owned subsidiary.

In 2008, we expanded our operations into specialised retail centres by opening our first community pharmacy within Tesco in Mutiara Damansara, Selangor. During the same year, we began to undertake retail sales of bottled mineral water under the brand name of 'CARiNG' in our chain of community pharmacies. As at LPD, we have a total of six (6) community pharmacies located within Tesco hypermarkets in Klang Valley and Johor. Also, products sold in our chain of community pharmacies under the brand of 'CARiNG' has included a range of personal care products namely hand wash, body wash and beauty accessories as well as wet wipes.

In 2008, we also expanded to Johor through the opening of 'CARiNG' outlet in Plentong, Johor, a partially-owned community pharmacy within Tesco. In 2010, the outlet was relocated to Tesco in Taman Bukit Indah. As at LPD, we have 11 community pharmacies located in Johor.

In 2009, we established Caring eStore to involve mainly in internet sales and to undertake warehouse sales of mainly health supplements, OTC drugs, personal care products and medical and healthcare devices. Since then, we have participated in various online shopping websites including AirAsia Megastore Merchant Partnership Programme and most recently Rakuten Malaysia's internet-based shopping mall. As at LPD, we no longer participate in AirAsia Megastore Merchant Partnership Programme.

In 2009, we acquired the remaining 40% equity stakes in UC Venture, our initial joint-venture partner that had two (2) community pharmacies. As a result, UC Venture became our wholly-owned subsidiary.

In 2010, we ventured into Melaka through the opening of a 'CARiNG' community pharmacy in AEON Bandaraya Melaka, a partially-owned outlet in a shopping complex. As at LPD, we have two (2) community pharmacies located in Melaka.

In 2011, Jitumaju, an investment holding company controlled by TSVT, became one of our major shareholders when it acquired 924,367 CPRM Shares, equivalent to 40% equity stake in CPRM from the shareholders of CPRM for a cash consideration equivalent to RM62.20 per CPRM share. The cash consideration of RM62.20 per CPRM share for the acquisition was arrived at on a willing-buyer willing-seller basis after taking into consideration the prospects of the pharmaceutical business as well as the future earnings of the CPRM Group. Based on the audited accounts of CPRM for the FYE 2010, the cash consideration of RM62.20 per CPRM share represents a PE of 10.61 times on the PATAMI of RM13.55 million.

5. INFORMATION ON OUR GROUP (Cont'd)

Pursuant to the divestment of 19.65% equity interest of CPRM by Jitumaju to four individual shareholders in 2012 and 2013, Jitumaju's equity interest in CPRM was diluted from 40% to 20.35%, details of which are as follows:

| Date | Parties | No. of CPRM Shares | % Shareholding in CPRM | Consideration* per CPRM Share (RM) |
|------------------|--|--------------------|------------------------|------------------------------------|
| 27 December 2012 | Dato' Ismail Bin Osman | 113,000 | 4.89 | 88.95 |
| 27 December 2012 | Datuk Seri Syed Ali Bin Tan Sri Abbas Al Habshee | 113,000 | 4.89 | 88.95 |
| 22 January 2013 | Arsam Bin Damis | 115,000 | 4.89 | 88.95 |
| 27 December 2012 | Datuk Lye Ek Seang | 113,000 | 4.98 | 88.95 |
| | Total | 454,000 | 19.65 | |

Note:

* The equivalent value of a CPRM share to a CARiNG share at IPO Price is RM98.83. The cash consideration was arrived at on a willing-buyer, willing-seller basis after applying a discount of approximately 10% to RM98.83 per CPRM share; which is equivalent to a discount of approximately 10% to the IPO Price (10% discount of RM1.25 equals to RM1.125 per Share). The cash consideration of RM88.95 per CPRM share represents a PE of 11.25 times on the PATAMI of RM18.27 million for FYE 2012.

We also established Caring (IDR) to acquire a chain of community pharmacies located in Johor which operated under the trade name of 'Medi-home'. In March 2012, four (4) 'Medi-home' outlets began operations under the brand of 'CARiNG' in their existing locations.

To cater to our expanding operations, CPRM purchased a factory lot in an industrial park development in PJ Old Town, Selangor in 2011 to serve as our new warehouse and head office. The construction work on the building is scheduled to be completed by 2014. Upon the completion of the renovation of the building, we intend to move into our new warehouse and relocate our head office. Our existing head office and warehousing facilities in Old Klang Road will be surrendered back to its owner, CPH.

In 2012, the individual shareholders of CPRM namely Soo Chan Chiew, Ang Khoon Lim, Chia Kia, Chong Yeow Siang, Ch'ng Haw Chong, Gooi Chean Keong, Loo Jooi Leng, Tan Lean Boon and Tan Lye Suan consolidated their CPRM shares into a new investment holding company, Motivasi Optima. In the same year, we also expanded our operations to Perak through the opening of a 'CARiNG' community pharmacy in AEON Ipoh Station 18 Shopping Centre. As at LPD, we have two (2) 'CARiNG' community pharmacies located in Perak.

In 2012, Caring Pharmacy Group Sdn Bhd was incorporated. Subsequently, it was converted into a public limited company in the same year to serve as the investment holding company of CPRM and its subsidiaries for the proposed listing of our Group on the Main Market of Bursa Securities.

In May 2013, we expanded our operations to Penang through the opening of a 'CARiNG' community pharmacy in Queensbay Mall, Penang. As at LPD, we have two (2) 'CARiNG' community pharmacies located in Penang.

As at LPD, we have a total number of 85 community pharmacies operating under the name of 'CARiNG'. Of these, 38 outlets are located in Selangor, 30 in Kuala Lumpur, 11 in Johor, 2 in Melaka, 2 in Perak and 2 in Penang.

Further details on the location of our community pharmacies are tabulated in Section 5.1.

5. INFORMATION ON OUR GROUP (Cont'd)

5.3 OUR KEY DEVELOPMENT AND MILESTONES

(i) Key Development and Milestones

The table below sets out our Group's key development and achievement milestones over the years:

| Year | Events |
|------|---|
| 1994 | We established CPSB and commenced operation through the opening of our first 'CARiNG' community pharmacy in Taman Muda, Cheras, Kuala Lumpur. |
| 2000 | We launched our CARiNG Joint Venture Scheme and opened our first 'CARiNG' community pharmacy in Taman Kinrara, Puchong, Selangor under the CARiNG Joint Venture scheme. |
| 2002 | We set up our first warehouse in Taman OUG, Kuala Lumpur to serve as the central distribution centre for our chain of community pharmacies. |
| 2003 | We moved from our support and administration office in SEA Park to our new head office in Taman OUG, Kuala Lumpur, located nearby our warehouse, to enhance our operational efficiency. |
| | We opened our first community pharmacy in a shopping complex, namely 1 Utama Shopping Centre in Selangor. |
| 2007 | We moved to our current head office with warehousing facilities in Old Klang Road, Kuala Lumpur. |
| | To streamline our business operations, we underwent internal restructuring by setting up CPRM as the investment holding company for all of our subsidiaries that are involved in operation of community pharmacy. |
| 2008 | We expanded our chain of community pharmacies into specialised retail centres, by opening our first community pharmacy within Tesco in Mutiara Damansara. |
| | We expanded to Johor through the opening of a partially-owned community pharmacy in Tesco, Plentong, Johor. |
| | We began to undertake retail sales of bottled mineral water under the brand of 'CARiNG' in our chain of community pharmacies. |
| 2009 | We established Caring eStore to be involved in internet sales, and to undertake warehouse sales of mainly health supplements, OTC drugs, personal care products, and medical and healthcare devices. |
| 2010 | We venture into Melaka through the opening of a 'CARiNG' community pharmacy in AEON Bandaraya Melaka, a partially-owned outlet in a shopping complex. |
| 2011 | Jitumaju, an investment holding company controlled by TSVT acquired a 40% equity stake in CPRM and became one of our major shareholders. |
| | We purchased a factory lot in an industrial park development in PJ Old Town, Selangor to serve as our new warehouse and head office. |
| 2012 | We expanded our operation of chain community pharmacies to Perak through the opening of a wholly-owned 'CARiNG' outlet in AEON Ipoh Station 18 Shopping Centre. |
| 2013 | We expanded our operation of chain community pharmacies to Penang through the opening of a partially-owned 'CARiNG' outlet in Queensbay Mall. |

5. INFORMATION ON OUR GROUP (Cont'd)

(ii) Awards, Accreditations and Recognitions

As at LPD, our Group has not received any material awards, accreditations and recognitions.

5.4 LISTING SCHEME

In conjunction with, and as an integral part of our Listing, we undertook the Listing Scheme which was approved by the SC vide the SC's letter dated 9 July 2013, details of which are set out as follows:

(i) Acquisition

Our Company had, on 25 February 2013, entered into a conditional sale and purchase agreement with the Vendors to acquire the entire issued and paid-up share capital of CPRM comprising of 2,310,918 ordinary share of RM1.00 each for a purchase consideration of RM182,706,397 ("**Purchase Consideration**") satisfied wholly by the issuance of 182,706,397 new Shares in our Company at an issue price of RM1.00 per Share.

The Purchase Consideration was arrived at based on a willing-buyer willing-seller basis, after taking into consideration, amongst others, the audited consolidated PATAMI of CPRM for FYE 2012 of approximately RM18.27 million, the earnings potential of the CPRM Group and the future prospects of the community pharmacy industry, focusing on pharmaceutical, healthcare and personal care market in Malaysia. The Purchase Consideration represents a PE Multiple of approximately 10 times based on the audited consolidated PATAMI of CPRM for FYE 2012.

The shareholdings of the Vendors in our Company after the Acquisition are as follows:

| Shareholders | No. of Ordinary Shares of RM1.00 Each Held in CPRM | Equity Interest in CPRM % | Purchase Consideration RM | No. of CARiNG Shares Issued |
|---|--|---------------------------|---------------------------|-----------------------------|
| Motivasi Optima | 1,386,551 | 60.00 | 109,623,854 | 109,623,854 |
| Jitumaju | 470,367 | 20.35 | 37,188,278 | 37,188,278 |
| Dato' Ismail Bin Osman | 113,000 | 4.89 | 8,934,035 | 8,934,035 |
| Datuk Seri Syed Ali Bin Tan Sri Syed Abbas Al Habshee | 113,000 | 4.89 | 8,934,035 | 8,934,035 |
| Datuk Lye Ek Seang | 113,000 | 4.89 | 8,934,035 | 8,934,035 |
| Arsam Bin Damis | 115,000 | 4.98 | 9,092,160 | 9,092,160 |
| Total | 2,310,918 | 100.00 | 182,706,397 | 182,706,397 |

The Acquisition was completed on 4 September 2013 and CPRM became a wholly-owned subsidiary of our Company.

Following the Acquisition, Motivasi Optima acquired the three (3) initial subscriber Shares which were issued at par pursuant to the incorporation of the Company to Chong Yeow Siang, Soo Chan Chiew and Tan Hui Khim, for a total cash consideration of RM3.75, based on CARiNG's IPO Price of RM1.25 per Share.

Pursuant to the Acquisition, our issued and paid-up share capital increased from 3 Shares to 182,706,400 Shares.

5. INFORMATION ON OUR GROUP (Cont'd)**(ii) IPO**

We are undertaking an IPO and details of the Public Issue are set out in Section 3.5.1 of this Prospectus. No offer for sale will be undertaken as part of the IPO.

(iii) Listing

Pursuant to the IPO, our Company has made an application to Bursa Securities for the listing of and quotation for our entire enlarged issued and paid-up share capital comprising 217,706,400 Shares on the Main Market of Bursa Securities.

5.5 SHARE CAPITAL

The authorised and issued and paid-up share capital of our Company as at LPD and upon Listing are as follows:

| Share Capital | No. of Shares | Share Capital RM |
|---|--------------------|---------------------|
| Authorised share capital as at LPD | 500,000,000 | 500,000,000 |
| Issued and paid-up share capital as at LPD | 182,706,400 | 182,706,400 |
| New Shares to be issued pursuant to the Public Issue | 35,000,000 | 35,000,000 |
| Enlarged issued and paid-up share capital upon Listing | 217,706,400 | 217,706,400 |

The details of the changes in issued and paid-up share capital of our Company since the date of incorporation up to LPD are as follows:

| Date of Allotment | No. Of Shares Allotted | Par Value RM | Consideration | Cumulative Issued And Paid-up Share Capital RM |
|-------------------|------------------------|--------------|------------------------------------|--|
| 30 July 2012 | 3 | 1.00 | Subscribers' shares ⁽¹⁾ | 3 |
| 4 September 2013 | 182,706,397 | 1.00 | Issued pursuant to the Acquisition | 182,706,400 |

Note:

(1) Issued at the point of incorporation of the Company

Our issued and paid-up share capital will increase to RM217,706,400 comprising 217,706,400 Shares upon the completion of the Public Issue of 35,000,000 Shares.

None of our Shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the LPD, we do not have any warrant, option or convertible security in issue or any uncalled capital.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6 INFORMATION ON OUR SUBSIDIARIES****5.6.1 Information on CPRM****(i) History and Business**

CPRM was incorporated in Malaysia under the Act as a private limited company on 26 December 2006 under its present name. CPRM commenced operations in 2007. CPRM is principally an investment holding company and involved in the provision of management services.

(ii) Share Capital

As at the LPD, the authorised share capital of CPRM is RM10,000,000 comprising 10,000,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of CPRM is RM2,310,918 comprising 2,310,918 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of CPRM since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|--|---|
| 26 December 2006 | 2 | 1.00 | Cash | 2 |
| 28 September 2007 | 1,500,000 | 1.00 | Acquisition of entire equity interest in CPSB | 1,500,002 |
| 19 October 2007 | 321,000 | 1.00 | Acquisition of: <ul style="list-style-type: none"> - 50,000 ordinary shares in Caring (Kinrara); - 50,000 ordinary shares in Caring Belle; - 50,000 ordinary shares in Sterling Pharmacy; - 51,000 ordinary shares in Be Caring; - 60,000 ordinary shares in MN Pharmacy; - 51,000 ordinary shares in Stay Caring; and - 60,000 ordinary shares in UC Venture | 1,821,002 |
| 19 November 2007 | 455,252 | 1.00 | Acquisition of entire interest of Viva Caring | 2,276,254 |
| 01 June 2009 | 34,664 | 1.00 | Acquisition of 40% ordinary shares in UC Venture | 2,310,918 |

None of CPRM's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, CPRM does not have any warrant, option or convertible security in issue or any uncalled capital.

5. INFORMATION ON OUR GROUP (Cont'd)

(iii) Substantial Shareholders

The substantial shareholders of CPRM as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | | | |
|-------------------------|--|--------|--------------------------|--------|
| | Direct | % | Indirect | % |
| CARiNG | 2,310,918 | 100.00 | - | - |
| Motivasi Optima | - | - | ⁽¹⁾ 2,310,918 | 100.00 |
| Chong Yeow Siang | - | - | ⁽³⁾ 2,310,918 | 100.00 |
| Soo Chan Chiew | - | - | ⁽³⁾ 2,310,918 | 100.00 |
| Ang Khoon Lim | - | - | ⁽³⁾ 2,310,918 | 100.00 |
| Tan Lean Boon | - | - | ⁽³⁾ 2,310,918 | 100.00 |
| Tan Lye Suan | - | - | ⁽⁴⁾ 2,310,918 | 100.00 |
| Jitumaju | - | - | ⁽¹⁾ 2,310,918 | 100.00 |
| TSVT | - | - | ⁽²⁾ 2,310,918 | 100.00 |
| Nerine Tan Sheik Ping | - | - | ⁽²⁾ 2,310,918 | 100.00 |
| Chryseis Tan Sheik Ling | - | - | ⁽²⁾ 2,310,918 | 100.00 |

Notes:

- (1) Deemed interested by virtue of their direct shareholdings in CARiNG, pursuant to Section 6A of the Act
- (2) Deemed interested by virtue of their indirect shareholdings in CARiNG via Jitumaju, pursuant to Section 6A of the Act.
- (3) Deemed interested by virtue of their indirect shareholdings in CARiNG via Motivasi Optima, pursuant to Section 6A of the Act.
- (4) Deemed interested by virtue of the indirect shareholdings of her spouse, Chong Yeow Siang, pursuant to Section 6A of the Act.

(iv) Subsidiary and Associated Companies

As at the LPD, the subsidiary companies of CPRM are as disclosed in Section 5.1 of this Prospectus.

5.6.2 Information on Ace Caring

(i) History and Business

Ace Caring was incorporated in Malaysia under the Act as a private limited company on 3 August 2007 under its present name. Ace Caring commenced business in 2008. Ace Caring is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Ace Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Ace Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Ace Caring since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|-------------------|------------------------|--------------|---------------|--|
| 3 August 2007 | 2 | 1.00 | Cash | 2 |
| 9 May 2008 | 99,998 | 1.00 | Cash | 100,000 |

5. INFORMATION ON OUR GROUP (Cont'd)

None of Ace Caring's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Ace Caring does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Ace Caring as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|-------|
| | Direct | % |
| CPRM | 51,000 | 51.00 |
| Lau Yee Voon | 24,500 | 24.50 |
| Beh Siew Lian | 24,500 | 24.50 |

(iv) Subsidiary and Associated Companies

As at the LPD, Ace Caring does not have any subsidiary or associate companies.

5.6.3 Information on Be Caring**(i) History and Business**

Be Caring was incorporated in Malaysia under the Act as a private limited company on 31 March 2003 under its present name. Be Caring commenced business in 2003. Be Caring is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Be Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Be Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Be Caring since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|-------------------|------------------------------|-----------------|---------------|---|
| 31 March 2003 | 2 | 1.00 | Cash | 2 |
| 10 July 2003 | 99,998 | 1.00 | Cash | 100,000 |

None of Be Caring's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Be Caring does not have any warrant, option or convertible security in issue or any uncalled capital.

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5. INFORMATION ON OUR GROUP (Cont'd)**(iii) Substantial Shareholders**

The substantial shareholders of Be Caring as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-----------------|--|-------|
| | Direct | % |
| CPRM | 51,000 | 51.00 |
| Leong Bee Go | 24,500 | 24.50 |
| Liew Pooi Cheng | 24,500 | 24.50 |

(iv) Subsidiary and Associated Companies

As at the LPD, Be Caring does not have any subsidiary or associated companies.

5.6.4 Information on Caring Belle**(i) History and Business**

Caring Belle was incorporated in Malaysia under the Act as a private limited company on 16 February 2001 under its present name. Caring Belle commenced business in 2001. Caring Belle is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products..

(ii) Share Capital

As at the LPD, the authorised share capital of Caring Belle is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring Belle is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring Belle since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|-------------------|------------------------|--------------|---------------|--|
| 16 February 2001 | 2 | 1.00 | Cash | 2 |
| 28 May 2001 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring Belle's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring Belle does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring Belle as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|------------------|--|-------|
| | Direct | % |
| CPRM | 80,000 | 80.00 |
| Cheong Ngee Koon | 20,000 | 20.00 |

5. INFORMATION ON OUR GROUP (Cont'd)**(iv) Subsidiary and Associated Companies**

As at the LPD, Caring Belle does not have any subsidiary or associated companies.

5.6.5 Information on Caring Health Solutions**(i) History and Business**

Caring Health Solutions was incorporated in Malaysia under the Act as a private limited company on 10 January 2007 under its present name. Caring Health Solutions commenced business in 2007. Caring Health Solutions is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring Health Solutions is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring Health Solutions is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring Health Solutions since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 10 January 2007 | 2 | 1.00 | Cash | 2 |
| 20 March 2007 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring Health Solutions's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring Health Solutions does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring Health Solutions as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 51,000 | 51.00 |
| Ng Shih Siang | 24,500 | 24.50 |
| Khoo Keh Ai | 24,500 | 24.50 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring Health Solutions does not have any subsidiary or associated companies.

5. INFORMATION ON OUR GROUP (Cont'd)**5.6.6 Information on Caring Help****(i) History and Business**

Caring Help was incorporated in Malaysia under the Act as a private limited company on 10 July 2013 under its present name. Caring Help is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring Help is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring Help is RM2 comprising 2 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring Help since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 10 July 2013 | 2 | 1.00 | Cash | 2 |

None of Caring Help's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring Help does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring Help as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 2 | 100.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring Help does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.7 Information on Caring 'N' You****(i) History and Business**

Caring 'N' You was incorporated in Malaysia under the Act as a private limited company on 23 August 2007 under its present name. Caring 'N' You commenced business in 2007. Caring 'N' You is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products..

(ii) Share Capital

As at the LPD, the authorised share capital of Caring 'N' You is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring 'N' You is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring 'N' You since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 23 August 2007 | 2 | 1.00 | Cash | 2 |
| 17 September 2007 | 99,998 | 99,998 | Cash | 100,000 |

None of Caring 'N' You's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring 'N' You does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring 'N' You as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Tan Lay Ean | 40,000 | 40.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring 'N' You does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.8 Information on CPSB****(i) History and Business**

CPSB was incorporated in Malaysia under the Act as a private limited company on 21 April 1994 under its present name. CPSB commenced business in 1994. CPSB is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of CPSB is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of CPSB is RM1,000,000 comprising 1,000,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of CPSB since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 21 April 1994 | 90,000 | 1.00 | Cash | 90,000 |
| 11 Dec 1998 | 120,000 | 1.00 | Cash | 210,000 |
| 13 June 2011 | 790,000 | 1.00 | Bonus Issue | 1,000,000 |

None of CPSB's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, CPSB does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholder of CPSB as at the LPD is as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 1,000,000 | 100.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, CPSB does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.9 Information on Caring (ABM)****(i) History and Business**

Caring (ABM) was incorporated in Malaysia under the Act as a private limited company on 25 September 2009 under its present name. Caring (ABM) commenced business in 2010. Caring (ABM) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (ABM) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (ABM) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (ABM) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 25 September 2009 | 2 | 1.00 | Cash | 2 |
| 8 October 2009 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring (ABM)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (ABM) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (ABM) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 75,000 | 75.00 |
| Foo Fung Jiun | 10,000 | 10.00 |
| Chan Hua Hung | 10,000 | 10.00 |
| Chua Jia Yunn | 5,000 | 5.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (ABM) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.10 Information on Caring (AMC)****(i) History and Business**

Caring (AMC) was incorporated in Malaysia under the Act as a private limited company on 30 September 2009 under its present name. Caring (AMC) commenced business in 2010. Caring (AMC) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (AMC) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (AMC) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (AMC) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 30 September 2009 | 2 | 1.00 | Cash | 2 |
| 16 November 2009 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring (AMC)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (AMC) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (AMC) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|------------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Elaine Poon | 20,000 | 20.00 |
| Siow Cheuk Ching | 20,000 | 20.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (AMC) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.11 Information on Caring (Ampang)****(i) History and Business**

Caring (Ampang) was incorporated in Malaysia under the Act as a private limited company on 14 July 2008 under its present name. Caring (Ampang) commenced business in 2008. Caring (Ampang) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (Ampang) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (Ampang) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (Ampang) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 14 July 2008 | 2 | 1.00 | Cash | 2 |
| 15 August 2008 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring (Ampang)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (Ampang) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (Ampang) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Vun Yaw Phing | 40,000 | 40.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (Ampang) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.12 Information on Caring eStore****(i) History and Business**

Caring eStore was incorporated in Malaysia under the Act as a private limited company on 8 December 2009 under its present name. Caring eStore commenced business in 2010. Caring eStore is principally involved in internet sales and warehouse sales of healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring eStore is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring eStore is RM2 comprising 2 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring eStore since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 8 December 2009 | 2 | 1.00 | Cash | 2 |

None of Caring eStore's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring eStore does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring eStore as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 2 | 100.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring eStore does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.13 Information on Caring (IDR)****(i) History and Business**

Caring (IDR) was incorporated in Malaysia under the Act as a private limited company on 22 September 2011 under its present name. Caring (IDR) commenced business in 2012. Caring (IDR) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (IDR) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (IDR) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (IDR) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 22 September 2011 | 2 | 1.00 | Cash | 2 |
| 18 October 2011 | 50,998 | 1.00 | Cash | 51,000 |
| 7 March 2012 | 49,000 | 1.00 | Cash | 100,000 |

None of Caring (IDR)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (IDR) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (IDR) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|------------------------|---|----------|
| | Direct | % |
| CPRM | 51,000 | 51.00 |
| Lai Kok Yoong | 19,600 | 19.60 |
| Tan Chew Hong | 12,250 | 12.25 |
| Hafiz Bin Mos @ Mohsin | 9,800 | 9.80 |
| Norazlin Binti Kasmin | 7,350 | 7.35 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (IDR) does not have any subsidiary or associated companies.

5. INFORMATION ON OUR GROUP (Cont'd)**5.6.14 Information on Caring (JB Molek)****(i) History and Business**

Caring (JB Molek) was incorporated in Malaysia under the Act as a private limited company on 15 July 2011 under its present name. Caring (JB Molek) commenced business in 2011. Caring (JB Molek) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (JB Molek) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (JB Molek) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (JB Molek) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 15 July 2011 | 2 | 1.00 | Cash | 2 |
| 12 August 2011 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring (JB Molek)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (JB Molek) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (JB Molek) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|----------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Goo Yuan Tieh | 24,000 | 24.00 |
| Lee Yoon Leong | 16,000 | 16.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (JB Molek) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.15 Information on Caring (Kinrara)****(i) History and Business**

Caring (Kinrara) was incorporated in Malaysia under the Act as a private limited company on 1 June 2000 under its present name. Caring (Kinrara) commenced business in 2000. Caring (Kinrara) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (Kinrara) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (Kinrara) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (Kinrara) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 1 June 2000 | 2 | 1.00 | Cash | 2 |
| 30 June 2000 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring (Kinrara)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (Kinrara) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (Kinrara) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|--------------|---|----------|
| | Direct | % |
| CPRM | 50,000 | 50.00 |
| Ng Siow Ling | 50,000 | 50.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (Kinrara) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.16 Information on Caring (KLP)****(i) History and Business**

Caring (KLP) was incorporated in Malaysia under the Act as a private limited company on 11 June 2007 under its present name. Caring (KLP) commenced business in 2007. Caring (KLP) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (KLP) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (KLP) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (KLP) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 11 June 2007 | 2 | 1.00 | Cash | 2 |
| 19 June 2007 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring (KLP)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (KLP) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (KLP) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Ang Hooi Hoon | 20,000 | 20.00 |
| Soo Wai Han | 20,000 | 20.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (KLP) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.17 Information on Caring (Lifeplus)****(i) History and Business**

Caring (Lifeplus) was incorporated in Malaysia under the Act as a private limited company on 11 November 2011 under its present name. Caring (Lifeplus) commenced business in 30 March 2012. Caring (Lifeplus) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (Lifeplus) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (Lifeplus) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (Lifeplus) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 11 November 2011 | 2 | 1.00 | Cash | 2 |
| 29 February 2012 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring (Lifeplus)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (Lifeplus) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (Lifeplus) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 70,000 | 70.00 |
| Lim Yun Zi | 30,000 | 30.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (Lifeplus) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.18 Information on Caring (MSF)****(i) History and Business**

Caring (MSF) was incorporated in Malaysia under the Act as a private limited company on 10 February 2009 under its present name. Caring (MSF) commenced business in 2009. Caring (MSF) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (MSF) is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (MSF) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (MSF) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 10 February 2009 | 2 | 1.00 | Cash | 2 |
| 4 January 2012 | 99,998 | 1.00 | Bonus Issue | 100,000 |

None of Caring (MSF)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (MSF) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (MSF) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 100,000 | 100.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (MSF) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.19 Information on Caring (Puchong)****(i) History and Business**

Caring (Puchong) was incorporated in Malaysia under the Act as a private limited company on 6 November 2008 under its present name. Caring (Puchong) commenced business in 2008. Caring (Puchong) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (Puchong) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (Puchong) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (Puchong) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 6 November 2008 | 2 | 1.00 | Cash | 2 |
| 19 November 2008 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring (Puchong)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (Puchong) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (Puchong) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 80,000 | 80.00 |
| Teo Bee Chuan | 10,000 | 10.00 |
| Chan Mei Teng | 10,000 | 10.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (Puchong) does not have any subsidiary or associated companies.

5. INFORMATION ON OUR GROUP (Cont'd)**5.6.20 Information on Caring (Shah Alam)****(i) History and Business**

Caring (Shah Alam) was incorporated in Malaysia under the Act as a private limited company on 15 July 2011 under its present name. Caring (Shah Alam) commenced business in 2011. Caring (Shah Alam) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (Shah Alam) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (Shah Alam) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (Shah Alam) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 15 July 2011 | 2 | 1.00 | Cash | 2 |
| 12 August 2011 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring (Shah Alam)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (Shah Alam) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (Shah Alam) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|----------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Chan Yin Mei | 30,000 | 30.00 |
| Chan Tien Fatt | 10,000 | 10.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (Shah Alam) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.21 Information on Caring (SK)****(i) History and Business**

Caring (SK) was incorporated in Malaysia under the Act as a private limited company on 2 June 2011 under its present name. Caring (SK) commenced business in 2011. Caring (SK) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (SK) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (SK) is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (SK) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 2 June 2011 | 2 | 1.00 | Cash | 2 |
| 5 July 2011 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring (SK)'s shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (SK) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (SK) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 90,000 | 90.00 |
| Leong Sow Fun | 10,000 | 10.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (SK) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.22 Information on Caring (SW)****(i) History and Business**

Caring (SW) was incorporated in Malaysia under the Act as a private limited company on 20 February 2009 under its present name. Caring (SW) commenced business in 2009. Caring (SW) is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring (SW) is RM 500,000 comprising 500,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring (SW) is RM300,000 comprising 300,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring (SW) since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 20 February 2009 | 2 | 1.00 | Cash | 2 |
| 14 April 2009 | 199,998 | 1.00 | Cash | 200,000 |
| 15 March 2012 | 100,000 | 1.00 | Cash | 300,000 |

None of Caring (SW) shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring (SW) does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring (SW) as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 300,000 | 100.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring (SW) does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.23 Information on Caring Always****(i) History and Business**

Caring Always was incorporated in Malaysia under the Act as a private limited company on 8 April 2010 under its present name. Caring Always commenced business in 2011. Caring Always is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring Always is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring Always is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring Always since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 8 April 2010 | 2 | 1.00 | Cash | 2 |
| 12 August 2011 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring Always's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring Always does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring Always as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 70,000 | 70.00 |
| Vun Jen Vui | 30,000 | 30.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring Always does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.24 Information on Caring Paradise****(i) History and Business**

Caring Paradise was incorporated in Malaysia under the Act as a private limited company on 15 March 2012 under its present name. Caring Paradise commenced business in 2012. Caring Paradise is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring Paradise is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring Paradise is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring Paradise since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 15 March 2012 | 2 | 1.00 | Cash | 2 |
| 9 April 2012 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring Paradise's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring Paradise does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring Paradise as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Lee Su Fen | 20,000 | 20.00 |
| Lim Ai Luan | 20,000 | 20.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring Paradise does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.25 Information on Caring Rising****(i) History and Business**

Caring Rising was incorporated in Malaysia under the Act as a private limited company on 2 May 2013 under its present name. Caring Rising commenced business in 27 June 2013. Caring Rising is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring Rising is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring Rising is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring Rising since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 2 May 2013 | 2 | 1.00 | Cash | 2 |
| 31 May 2013 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring Rising's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring Rising does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring Rising as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|------------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Tan Kian Chong | 20,000 | 20.00 |
| Cheam Shiau Tyng | 20,000 | 20.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring Rising does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.26 Information on Caring Trinity****(i) History and Business**

Caring Trinity was incorporated in Malaysia under the Act as a private limited company on 2 May 2013 under its present name. Caring Trinity is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring Trinity is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring Trinity is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring Trinity since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 2 May 2013 | 2 | 1.00 | Cash | 2 |
| 31 May 2013 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring Trinity's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring Trinity does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring Trinity as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------------|---|----------|
| | Direct | % |
| CPRM | 59,500 | 59.50 |
| Tan Thien Thien | 13,500 | 13.50 |
| Ong Chin Yee | 13,500 | 13.50 |
| Sharon Lai Wai Ling | 13,500 | 13.50 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring Trinity does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.27 Information on Caring Trio****(i) History and Business**

Caring Trio was incorporated in Malaysia under the Act as a private limited company on 31 May 2012 under its present name. Caring Trio commenced business on 2012. Caring Trio is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Caring Trio is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Caring Trio is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Caring Trio since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 31 May 2012 | 2 | 1.00 | Cash | 2 |
| 13 June 2012 | 99,998 | 1.00 | Cash | 100,000 |

None of Caring Trio's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Caring Trio does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Caring Trio as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 59,500 | 59.50 |
| Ng Yee Choung | 13,500 | 13.50 |
| Low Yuen Ker | 13,500 | 13.50 |
| Lee Wei Phang | 13,500 | 13.50 |

(iv) Subsidiary and Associated Companies

As at the LPD, Caring Trio does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.28 Information on Cosy Vision****(i) History and Business**

Cosy Vision was incorporated in Malaysia under the Act as a private limited company on 1 November 2012 under its present name. Cosy Vision commenced business in 28 December 2012. Cosy Vision is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Cosy Vision is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Cosy Vision is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Cosy Vision since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 1 November 2012 | 2 | 1.00 | Cash | 2 |
| 12 December 2012 | 99,998 | 1.00 | Cash | 100,000 |

None of Cosy Vision's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Cosy Vision does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Cosy Vision as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|--------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Yee Siew Fen | 20,000 | 20.00 |
| Ho Chiew Lim | 20,000 | 20.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Cosy Vision does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.29 Information on Fuji Acre****(i) History and Business**

Fuji Acre was incorporated in Malaysia under the Act as a private limited company on 4 March 2013 under its present name. Fuji Acre commenced business in 21 May 2013. Fuji Acre is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Fuji Acre is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Fuji Acre is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Fuji Acre since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 3 March 2013 | 2 | 1.00 | Cash | 2 |
| 30 April 2013 | 66,998 | 1.00 | Cash | 67,000 |
| 8 July 2013 | 33,000 | 1.00 | Cash | 100,000 |

None of Fuji Acre's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Fuji Acre does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Fuji Acre as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|----------------------|---|----------|
| | Direct | % |
| CPRM | 70,000 | 70.00 |
| Derek Moon Weng Chee | 20,000 | 20.00 |
| Ooi Lay Kim | 10,000 | 10.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Fuji Acre does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.30 Information on Green Surge****(i) History and Business**

Green Surge was incorporated in Malaysia under the Act as a private limited company on 8 July 2010 under its present name. Green Surge commenced business in 2012. Green Surge is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Green Surge is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Green Surge is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Green Surge since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 8 July 2010 | 2 | 1.00 | Cash | 2 |
| 2 September 2010 | 99,998 | 1.00 | Cash | 100,000 |

None of Green Surge's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Green Surge does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Green Surge as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|--------------|---|----------|
| | Direct | % |
| CPRM | 70,000 | 70.00 |
| Hin Choon Li | 30,000 | 30.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Green Surge does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.31 Information on Living Glory****(i) History and Business**

Living Glory was incorporated in Malaysia under the Act as a private limited company on 7 October 2011 under its present name. Living Glory commenced business in 2012. Living Glory is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Living Glory is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Living Glory is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Living Glory since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 7 October 2011 | 2 | 1.00 | Cash | 2 |
| 10 November 2011 | 99,998 | 1.00 | Cash | 100,000 |

None of Living Glory's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Living Glory does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Living Glory as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 70,000 | 70.00 |
| Koh Teng Hein | 30,000 | 30.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Living Glory does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.32 Information on Mega Caring****(i) History and Business**

Mega Caring was incorporated in Malaysia under the Act as a private limited company on 5 October 2012 under its present name. Mega Caring commenced business in 17 January 2013. Mega Caring is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Mega Caring is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Mega Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Mega Caring since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 5 October 2012 | 2 | 1.00 | Cash | 2 |
| 29 November 2012 | 99,998 | 1.00 | Cash | 100,000 |

None of Mega Caring's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Mega Caring does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Mega Caring as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|----------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Chow Ching Yei | 20,000 | 20.00 |
| Tey Lu Ping | 20,000 | 20.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Mega Caring does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.33 Information on Miracle Cure****(i) History and Business**

Miracle Cure was incorporated in Malaysia under the Act as a private limited company on 25 March 2013 under its present name. Miracle Cure is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Miracle Cure is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Miracle Cure is RM2 comprising 2 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Miracle Cure since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 25 March 2013 | 2 | 1.00 | Cash | 2 |

None of Miracle Cure's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Miracle Cure does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Miracle Cure as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 2 | 100.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Miracle Cure does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.34 Information on MN Pharmacy****(i) History and Business**

MN Pharmacy was incorporated in Malaysia under the Act as a private limited company on 23 April 2004 under its present name. MN Pharmacy commenced business in 2004. MN Pharmacy is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of MN Pharmacy is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of MN Pharmacy is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of MN Pharmacy since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 23 April 2004 | 2 | 1.00 | Cash | 2 |
| 12 October 2004 | 99,998 | 1.00 | Cash | 100,000 |

None of MN Pharmacy's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, MN Pharmacy does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of MN Pharmacy as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Kuan Mun Ni | 40,000 | 40.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, MN Pharmacy does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.35 Information on My Caring****(i) History and Business**

My Caring was incorporated in Malaysia under the Act as a private limited company on 21 April 2009 under its present name. My Caring commenced business in 2010. My Caring is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of My Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of My Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of My Caring since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 21 April 2009 | 2 | 1.00 | Cash | 2 |
| 1 June 2009 | 99,998 | 1.00 | Cash | 100,000 |

None of My Caring's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, My Caring does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of My Caring as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|----------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Seow Fue Chin | 20,000 | 20.00 |
| Chan Chia Huoi | 20,000 | 20.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, My Caring does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.36 Information on One Caring****(i) History and Business**

One Caring was incorporated in Malaysia under the Act as a private limited company on 3 February 2010 under its present name. One Caring commenced business in 2010. One Caring is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of One Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of One Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of One Caring since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 3 February 2010 | 2 | 1.00 | Cash | 2 |
| 24 March 2010 | 99,998 | 1.00 | Cash | 100,000 |

None of One Caring's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, One Caring does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of One Caring as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-----------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Koh Pei Ying | 20,000 | 20.00 |
| Ooi Thean Thean | 20,000 | 20.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, One Caring does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.37 Information on Preciouslife****(i) History and Business**

Preciouslife was incorporated in Malaysia under the Act as a private limited company on 30 May 2008 under its present name. Preciouslife commenced business in 2008. Preciouslife is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Preciouslife is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Preciouslife is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Preciouslife since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 30 May 2008 | 2 | 1.00 | Cash | 2 |
| 18 September 2008 | 99,998 | 1.00 | Cash | 100,000 |

None of Preciouslife's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Preciouslife does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Preciouslife as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|----------------|---|----------|
| | Direct | % |
| CPRM | 70,000 | 70.00 |
| Tee Phaik Kien | 30,000 | 30.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Preciouslife does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.38 Information on Stay Caring****(i) History and Business**

Stay Caring was incorporated in Malaysia under the Act as a private limited company on 3 August 2004 under its present name. Stay Caring commenced business in 2004. Stay Caring is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Stay Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Stay Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Stay Caring since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 3 Aug 2004 | 2 | 1.00 | Cash | 2 |
| 25 March 2005 | 99,998 | 1.00 | Cash | 100,000 |

None of Stay Caring's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Stay Caring does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Stay Caring as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 51,000 | 51.00 |
| Tan See Yeen | 24,500 | 24.50 |
| Ong Wai Cheng | 24,500 | 24.50 |

(iv) Subsidiary and Associated Companies

As at the LPD, Stay Caring does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.39 Information on Sterling Pharmacy****(i) History and Business**

Sterling Pharmacy was incorporated in Malaysia under the Act as a private limited company on 2 April 2002 under its present name. Sterling Pharmacy commenced business in 2002. Sterling Pharmacy is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Sterling Pharmacy is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Sterling Pharmacy is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Sterling Pharmacy since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 2 April 2002 | 2 | 1.00 | Cash | 2 |
| 9 May 2002 | 99,998 | 1.00 | Cash | 100,000 |

None of Sterling Pharmacy's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Sterling Pharmacy does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Sterling Pharmacy as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 50,000 | 50.00 |
| Goh Seong Por | 25,000 | 25.00 |
| Ang Swee Lim | 25,000 | 25.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Sterling Pharmacy does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.40 Information on Tonic Pharma****(i) History and Business**

Tonic Pharma was incorporated in Malaysia under the Act as a private limited company on 4 July 2007 under its present name. Tonic Pharma commenced business in 2008. Tonic Pharma is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Tonic Pharma is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Tonic Pharma is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Tonic Pharma since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 4 July 2007 | 2 | 1.00 | Cash | 2 |
| 18 Jan 2008 | 99,998 | 1.00 | Cash | 100,000 |

None of Tonic Pharma's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Tonic Pharma does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Tonic Pharma as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|----------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Loo Ching Hsin | 40,000 | 40.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Tonic Pharma does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.41 Information on UC Venture****(i) History and Business**

UC Venture was incorporated in Malaysia under the Act as a private limited company on 4 May 2005 under its present name. UC Pharmacy commenced business in 2005. UC Venture is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of UC Venture is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of UC Venture is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of UC Venture since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 4 May 2005 | 2 | 1.00 | Cash | 2 |
| 30 May 2005 | 99,998 | 1.00 | Cash | 100,000 |

None of UC Venture's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, UC Venture does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of UC Venture as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 100,000 | 100.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, UC Venture does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.42 Information on URX Care****(i) History and Business**

URX Care was incorporated in Malaysia under the Act as a private limited company on 31 March 2010 under its present name. URX Care commenced business in 2010. URX Care is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of URX Care is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of URX Care is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of URX Care since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 31 March 2010 | 2 | 1.00 | Cash | 2 |
| 25 June 2010 | 99,998 | 1.00 | Cash | 100,000 |

None of URX Care's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, URX Care does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of URX Care as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|---------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Ng Ching Yee | 20,000 | 20.00 |
| Loo Hooi Huan | 20,000 | 20.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, URX Care does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.43 Information on Vertex Pharmacy****(i) History and Business**

Vertex Pharmacy was incorporated in Malaysia under the Act as a private limited company on 7 July 2008 under its present name. Vertex Pharmacy commenced business in 2008. Vertex Pharmacy is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Vertex Pharmacy is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Vertex Pharmacy is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Vertex Pharmacy since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 7 July 2008 | 2 | 1.00 | Cash | 2 |
| 15 August 2008 | 99,998 | 1.00 | Cash | 100,000 |

None of Vertex Pharmacy's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Vertex Pharmacy does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Vertex Pharmacy as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-----------------|---|----------|
| | Direct | % |
| CPRM | 51,000 | 51.00 |
| Chia Peng Kwang | 24,500 | 24.50 |
| Wong Kait Chon | 24,500 | 24.50 |

(iv) Subsidiary and Associated Companies

As at the LPD, Vertex Pharmacy does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.44 Information on Victorie Caring****(i) History and Business**

Victorie Caring was incorporated in Malaysia under the Act as a private limited company on 16 December 2009 under its present name. Victorie Caring commenced business in 2010. Victorie Caring is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products..

(ii) Share Capital

As at the LPD, the authorised share capital of Victorie Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Victorie Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Victorie Caring since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 16 December 2009 | 2 | 1.00 | Cash | 2 |
| 28 December 2009 | 99,998 | 1.00 | Cash | 100,000 |

None of Victorie Caring's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Victorie Caring does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Victorie Caring as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 60,000 | 60.00 |
| Ng Yi Chan | 20,000 | 20.00 |
| Kristy Ting | 20,000 | 20.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Victorie Caring does not have any subsidiary or associated companies.

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5. INFORMATION ON OUR GROUP (Cont'd)**5.6.45 Information on Viva Caring****(i) History and Business**

Viva Caring was incorporated in Malaysia under the Act as a private limited company on 25 April 2000 under its present name. Viva Caring commenced business in 2000. Viva Caring is principally involved in the operation of community pharmacy including retailing of pharmaceutical, healthcare and personal care products.

(ii) Share Capital

As at the LPD, the authorised share capital of Viva Caring is RM 100,000 comprising 100,000 ordinary shares of RM1.00 each. The issued and paid-up share capital of Viva Caring is RM100,000 comprising 100,000 ordinary shares of RM1.00 each.

Details of the changes in the issued and paid-up share capital of Viva Caring since its incorporation up to the LPD are as follows:

| Date of Allotment | No. of Shares Allotted | Par Value RM | Consideration | Cumulative Issued and Paid-Up Share Capital RM |
|--------------------------|-------------------------------|---------------------|----------------------|---|
| 25 April 2000 | 3 | 1.00 | Cash | 3 |
| 3 July 2000 | 99,997 | 1.00 | Cash | 100,000 |

None of Viva Caring's shares as tabulated above were issued at a discount, on special terms or instalment payment terms. As at the date of this Prospectus, Viva Caring does not have any warrant, option or convertible security in issue or any uncalled capital.

(iii) Substantial Shareholders

The substantial shareholders of Viva Caring as at the LPD are as follows:

| Name | No. of Ordinary Shares of RM1.00 Each Held | |
|-------------|---|----------|
| | Direct | % |
| CPRM | 100,000 | 100.00 |

(iv) Subsidiary and Associated Companies

As at the LPD, Viva Caring does not have any subsidiary or associated companies.

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