



Chairman's Letter to Shareholders

February 6th, 2013

To all of our Shareholders:

PHM has achieved an important milestone. Two years ago, we started this business with a singular goal: focus our limited initial capital upon achieving cash flow and profits in our start up business. With this last quarter, our first real business milestone was achieved.

In fact, it was just last week that PHM issued year-end and first fiscal quarter financial reports. While these reports were deep in detail for financial figures, highlighting a profitable first quarter for fiscal 2013 and \$200,000 in positive quarterly cash flow, they provided only a general overview of the next stage of our business.

This letter serves to frame this vision and provide more detail to our shareholders for the next stage in increasing shareholder value.

The Vision

With our initial plan of profitability within our core service complete, we plan to transform PHM into a more dynamic business that can take advantage of the shifts in both the US and Canadian healthcare markets.

We believe future rewards in the healthcare services market are centered around containing costs by treating chronic disease effectively through the lowest cost method; home-based care.

Specifically, in the quarters to come, we plan to position PHM into a multinational, multi-product company capturing revenues in the growing market of in-home services for patients suffering from chronic diseases.

We will start by revamping our executive team. We are working to recruit new executive leadership, namely a CEO, with experience in multi-product sales and marketing, merger integration, device in-licensing, and capital markets communications. We are also working to add strategic talent to our Board of Directors in similar areas.

As part of this next stage, there are four high priority plans that will be the executive team's focus:

- Continuing growth in the US INR market.
- Penetration into the Canadian market for in-home chronic disease management.
- A reduction of PHM's capital costs in supplying in-home medical supplies.
- Actively entering new markets complimentary to Coumadin testing for management and treatment of chronic disease.

As an integral part of the next stage of growth, we are investigating possible deals with several profitable merger and partnership candidates. Merging or partnering with existing businesses can give PHM multiple revenue lines in several fast growing markets without start-up risk. These targets are small companies with a similar growth trajectory as PHM. Our primary focus is upon companies that are interested in sharing an equity upside in PHM by meeting performance goals. This will reduce dilution to current shareholders. By merging or partnering with other small single service line companies in the US and Canada, PHM can offer the sellers an opportunity to join a more dynamic, less risky business.

In the mean time, PHM will continue to drive enrollment and revenues in its Coumadin business in the US.

By successfully completing our "profitability" stage of development, the company has reached a phase where it should consider issuing dividends. Like many shareholders, Stanmore Capital, the capital group of which I am a partner, would very much like to see a dividend in 2013 and we will work with the new leadership, convertible note holders, and the board to come up with a sensible strategy to approve a dividend to shareholders.

An Inflection Point

We started PHM with limited capital to ensure we could reach profitability in the business and to prove the business model. Now that we have completed that goal, we stand at an inflection point.

There are many factors that make me believe we can take advantage of this inflection point and I want to detail them:

- **Cash Flow and Profits:** We needed to focus our limited capital upon achieving cash flow and profits in our start up business, thereby creating a valuable asset that would be an attractive partner to other profitable businesses. While Coumadin monitoring is a profitable

revenue line with substantial growth potential, I believe it is risky to be a one-product company. Additionally, the growth potential of Coumadin management should be easier to realize by marketing in combination with other services.

- **Capital Markets Communications:** PHM's stock price has not necessarily always tracked the metrics of the underlying business. A strong contributor to this has been a lack of capital markets communications. Admittedly, when we sought out a management team for PHM after the initial leadership issues, we focused upon driving patient enrollment, operating an efficient clinical call center, and achieving profitability. With limited start-up capital, we had to prioritize resources with these goals in mind and capital markets communications suffered as a result. We want to acknowledge this reality and it will be important to change this as we are seeking to acquire or partner with companies which may take shares in PHM for an accretive acquisition.
- **Strong and Loyal Customers:** Among PHM's strengths are a loyal installed annuity stream customer base and its dedicated referring physicians. These patients and doctors constantly express their satisfaction with our outstanding call center. These patients need all manner of healthcare products and services and are looking for a familiar and trusted provider. This gives PHM the opportunity to improve their in-home healthcare quality and experience by offering additional service lines. In 2012, PHM was not organized to offer these services to customers and we need to change that.

By embracing these realities, we can launch this new vision. We will work quickly to make these tactical changes in line with the vision for PHM.

I want to finish by thanking the shareholders for their support in helping us through this next stage of PHM. We will be calling our annual shareholders' meeting soon and many of these plans will be finalized by then. I look forward to meeting many of you and, most of all, I look forward to an increasingly valuable PHM in 2013.

All the best you to and your family,



Michael Dalsin
Chairman of the Board