

**APOLLO HOSPITALS SINGAPORE PTE. LIMITED**  
**Reg No: 201507593R**  
**(Incorporated in the Republic of Singapore)**

**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**31 MARCH 2020**

**APOLLO HOSPITALS SINGAPORE PTE. LIMITED**  
(Incorporated in the Republic of Singapore)

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**DIRECTORS' STATEMENT**

The directors present their statement to the members of Apollo Hospitals Singapore Pte. Limited (the "Company") together with the audited financial statements for the financial year ended 31 March 2020.

**1. Opinion of the directors**

In the opinion of the directors,

- (a) the financial statements of the Company set out on pages 6 to 21 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the Company for the financial year then ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

**2. Directors**

The directors in the office at the date of this statement are:

Muthu Krishnan Sankaranarayanan  
Richard Soemita

**3. Arrangement to enable directors to acquire shares or debentures**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisitions of shares or debentures of the Company or any other body corporate.

**4. Directors' interests in shares or debentures**

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act.

**5. Share options**

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under the option at the end of the financial year.

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**6. Auditors**

The auditors, Precursor Assurance PAC, have expressed their willingness to accept re-appointment.



Muthu Krishnan Sankaranarayanan



Richard Soemita

Date: 17/06/2020

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APOLLO HOSPITALS SINGAPORE PTE. LIMITED

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Apollo Hospitals Singapore Pte. Limited (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2020 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

#### *Basis of Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide for our opinion.

#### *Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APOLLO HOSPITALS SINGAPORE PTE. LIMITED ("CONTINUED")

### *Responsibilities of Management and Directors for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and that transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate on the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
TECHNIC ASIA-PACIFIC PTE LTD ("CONTINUED")**

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.



**Precursor Assurance PAC**  
**Public Accountants and**  
**Chartered Accountants**

Singapore  
Date: 17/06/2020

**APOLLO HOSPITALS SINGAPORE PTE. LIMITED**  
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**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>US\$</b>	<b>US\$</b>
			<b>(Re-presented)</b>
Other income		-	1,167
Fair value loss on financial assets at FVTPL		(232,787)	(302,404)
Other expenses		(13,529)	(13,398)
Loss before tax	3	(246,316)	(314,635)
Income tax	4	-	-
Loss for the year		(246,316)	(314,635)
Other comprehensive income:			
Difference arising from effect of changes in functional currency		-	(13,301)
Total comprehensive loss for the year		(246,316)	(327,936)

The accompanying notes form an integral part of the financial statements



**APOLLO HOSPITALS SINGAPORE PTE. LIMITED**  
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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2020**

	<b>Note</b>	<b>31/03/2020</b>	<b>31/03/2019</b>	<b>01/04/2018</b>
		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
			<b>(Re-presented)</b>	<b>(Re-presented)</b>
<b>ASSETS</b>				
<u>Non-current asset</u>				
Financial assests at FVTPL	5	1,976,593	1,580,693	-
<u>Current assets</u>				
Cash and cash equivalents	6	34,677	66,197	703
Prepayment		193	184	191
		<u>34,870</u>	<u>66,381</u>	<u>894</u>
<b>Total assets</b>		<u><u>2,011,463</u></u>	<u><u>1,647,074</u></u>	<u><u>894</u></u>
<b>EQUITY</b>				
Share capital	7	2,606,064	1,994,888	22,263
Retained earnings		(605,325)	(346,088)	(31,453)
Foreign currency translation reserve		-	(12,921)	380
<b>Total equity</b>		<u><u>2,000,739</u></u>	<u><u>1,635,879</u></u>	<u><u>(8,810)</u></u>
<b>LIABILITIES</b>				
<u>Current liabilities</u>				
Accrued operating expenses	8	4,212	4,683	2,973
Amount due to ultimate holding company	9	6,512	6,512	6,731
<b>Total liabilities</b>		<u><u>10,724</u></u>	<u><u>11,195</u></u>	<u><u>9,704</u></u>
<b>Total equity and liabilities</b>		<u><u>2,011,463</u></u>	<u><u>1,647,074</u></u>	<u><u>894</u></u>

The accompanying notes form an integral part of the financial statements

**APOLLO HOSPITALS SINGAPORE PTE. LIMITED**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<b>Note</b>	<b>Share capital</b>	<b>Retained earnings</b>	<b>Functional currency translation reserve</b>	<b>Total equity</b>
		<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Balance as at 01 April 2018 (Re-presented)		22,263	(31,453)	380	(8,810)
Issuance of shares during the year	7	1,972,625	-	-	1,972,625
Total comprehensive loss for the year		-	(314,635)	(13,301)	(327,936)
Balance as at 31 March 2019 (Re-presented)		<u>1,994,888</u>	<u>(346,088)</u>	<u>(12,921)</u>	<u>1,635,879</u>
Balance as at 01 April 2019 (Re-presented)		1,994,888	(346,088)	(12,921)	1,635,879
Effect of change in functional currency	11	-	(12,921)	12,921	-
Issuance of shares during the year	7	611,176	-	-	611,176
Total comprehensive loss for the year		-	(246,316)	-	(246,316)
Balance as at 31 March 2020		<u>2,606,064</u>	<u>(605,325)</u>	<u>-</u>	<u>2,000,739</u>

The accompanying notes form an integral part of the financial statements

**APOLLO HOSPITALS SINGAPORE PTE. LIMITED**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

	<b>2020</b>	<b>2019</b>
	<b>US\$</b>	<b>US\$</b>
	<b>(Re-presented)</b>	
<b>Cash flows from operating activities</b>		
Loss before tax	(246,316)	(314,635)
<i>Adjustment for</i>		
- Fair value loss on financial assets at FVTPL	232,787	302,404
Operating cash flow before working capital changes	(13,529)	(12,231)
<i>Changes in operating assets and liabilities:</i>		
Prepayment	(9)	-
Accrued operating expenses	(471)	1,616
Net cash used in operation, representing net cash used in operating activities	(14,009)	(10,615)
<b>Cash flow from investing activity</b>		
Purchase of financial assets at FVTPL, representing net cash used in investing activity	(628,687)	(1,883,097)
<b>Cash flow from financing activity</b>		
Proceed from issuance of ordinary shares, representing net cash generated from financing activity	611,176	1,972,625
<b>Net (decrease)/increase in cash and cash equivalents</b>	(31,520)	78,913
<b>Cash and cash equivalents at beginning of the year</b>	66,197	703
<b>Effect of exchange rate changes in cash and cash equivalents</b>	-	(13,419)
<b>Cash and cash equivalents at end of the year</b>	34,677	66,197

The accompanying notes form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

**1. General**

The Company is incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 50 Raffles Place #30-00, Singapore Land Tower, Singapore 048623.

The principal activities of the Company are the provision of management consultancy services for healthcare organisations and investment holding.

The Company is a subsidiary of Western Hospitals Corporation Private Limited, and the Company's ultimate holding company is Apollo Hospitals Enterprise Limited, both companies incorporated in India.

**2. Significant accounting policies**

Basis of preparation

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The Company has adopted all the new/revised FRS and Interpretations to FRS ("INT FRS") that are relevant to its operations and are mandatory for the financial period beginning on or after 01 April 2019. The adoption of these standards did not result in material changes to the Company's financial statements.

Standards issued but not yet effective

The Company has not adopted the following standards, interpretations and amendments that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to References to the Conceptual Framework in FRS Standards	01 January 2020
Amendments to FRS 1 and FRS 8: <i>Definition of Material</i>	01 January 2020
Amendments to FRS 110 and FRS 28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined

The Company expects that the adoption of the above standards, interpretations and amendments will not have material impact on the financial statements in the period of initial application.

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Functional and presentation currency

The financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”).

The Company changed their functional currency from Singapore Dollar (\$) to United States Dollar (US\$) with effect from 01 April 2019 to reflect the current and prospective economic substance of the underlying transactions and circumstances of the Company operates its business activities.

The effect of the change of functional currency to United States Dollar was applied prospectively in the financial statements. The Company translated all items into the new functional currency using the exchange rate of US\$1: S\$1.3117 as at 01 April 2019. This change was applied retrospectively using the following procedures:

- Assets and liabilities of all corresponding figures presented (including opening balances from the beginning of earliest prior period presented) were translated at the closing rate respective year end;
- Income and expenses for all corresponding figures presented were translated at the average exchange rate for the financial year approximating the exchange rate at the dates of transactions; and
- All resulting exchange differences were recognised in other comprehensive income.

Foreign currency transactions

Transactions in currencies other than the Company’s functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of the reporting period, monetary items denominated in foreign currencies are translated to United States Dollar at the exchange rates prevailing on the end of the reporting period. Non-monetary items denominated in foreign currencies that are measured at fair values are translated at the exchange rates ruling at the dates on which the fair values were determined. Foreign exchange differences arising from translation are recognised in profit or loss.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

(a) Financial assets

The Company classifies its financial assets into one of the following categories: (i) amortised cost, (ii) fair value through other comprehensive income, and (iii) fair value through profit or loss, depending on the Company’s business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets. The Company shall reclassify its affected financial assets when the Company changes its business model for managing these financial assets. Other than financial assets in a qualifying hedging relationship, the Company's accounting policy for each category is as follows:

(i) Financial assets at amortised cost (debt instruments)

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these financial assets is recognised using the effective interest rate method.

Impairment provisions for trade receivables are recognised based on the simplified approach within FRS 109 *Financial Instruments* (“FRS 109”) using the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

(ii) Financial assets at fair value through other comprehensive income (“FVOCI”)

A financial asset that is an investment in debt instrument is subsequently measured at FVOCI if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest. Gains or losses are recognised in other comprehensive income, except for impairment gains or losses, foreign exchange gains or losses and interest which are recognised in profit or loss.

At initial recognition, the Company may make an irrevocable election to classify its investment in equity instrument, for which the equity instrument is neither held for trading nor contingent consideration recognised by an acquirer in a business combination under FRS 103 *Business Combination*, as subsequently measured at FVOCI so as to present subsequent changes in fair value in other comprehensive income. The election is made on an investment-by-investment basis.

Upon derecognition, other than the aforementioned equity instrument for which their subsequent cumulative fair value changes would be transferred to retained earnings, the cumulative fair value changes recognised in other comprehensive income is recycled to profit or loss.

Dividends from equity instrument are recognised in profit or loss only when the Company’s right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(iii) Financial assets at fair value through profit or loss (“FVTPL”)

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVTPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises.

For equity instruments that are either held for trading or irrevocable election to measure the fair value changes through other comprehensive income has not been made, the fair value changes is recognised in profit or loss.

*Derecognition of financial assets*

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

(b) Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(i) Financial liabilities

Financial liabilities are recognised initially at fair value, plus, which is normally represented by the transaction costs.

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

(ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issuance costs. The Company classifies ordinary shares as equity instruments. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits with financial institutions and bank overdrafts.

Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate of the can be made.

Income taxes

Income tax expense represents the sum of the current tax and deferred tax liabilities.

Tax is recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

*(i) Current income tax*

The tax currently payable is based on taxable profit for the financial year. Taxable profit differs from profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other financial years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is measured at the amount expected to be paid to the tax authorities, using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subjected to interpretation and establishes provisions where appropriate.

*(ii) Deferred income tax*

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Related parties

Related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
  - i) Has control or joint control over the Company;
  - ii) Has significant influence over the Company; or



- iii) Is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
- i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to others);
  - ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of the group of which the other entity is a member);
  - iii) Both entities are joint ventures of the same third party;
  - iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
  - vi) The entity is controlled or jointly controlled by a person identified in (a);
  - vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
  - viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

#### Financial risk management

The Company's overall business strategies, its tolerance of risks and its risk management philosophy are determined by the management in accordance with prevailing economic and operating conditions.

The main risks arising from the Company's operations are credit risk, liquidity risk and foreign currency risk. The Company is not exposed to interest rate risk and price risk. The Board reviews and agrees policies for their risks and they are summarised below:

#### *Credit risk*

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Company, as and when they fall due.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the statement of financial position. The Company's major class of financial asset is cash and cash equivalents only.

Cash and cash equivalents are placed with banks and financial institution which are regulated.

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*Liquidity risk*

Liquidity risk arises in the general funding of the Company's operating activities. It includes the risks of not being able to fund operating activities at settlement dates and liquidate positions in a timely manner at a reasonable price.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Company's operation and to mitigate the effects of fluctuations in cash flows.

All financial liabilities of the Company are expected to mature within 12 months from the end of the reporting period.

*Foreign currency risk*

The Company operates regionally and is exposed to foreign currency risk, primarily with respect to Singapore Dollar. The Company did not engage in any hedging derivatives to mitigate its exposure to foreign currency risk.

The Company's currency exposure on its financial assets and liabilities are disclosed in the respective notes to the financial statements.

*Sensitivity analysis*

	US\$ equivalents (US\$)	Impact on loss before tax arising from +/- 5% change in the exchange rate (US\$) (Note 1)
<b>2020</b>		
<u>Cash and cash equivalents</u>		
Singapore Dollar	34,677	-/+ 1,734
<u>Accrued operating expenses</u>		
Singapore Dollar	4,212	+/- 211
<u>Amount due to ultimate holding company</u>		
Singapore Dollar	6,512	+/- 326
<b>2019</b>		
<u>Cash and cash equivalents</u>		
Singapore Dollar	66,197	-/+ 3,310
<u>Accrued operating expenses</u>		
Singapore Dollar	4,683	+/- 234
<u>Amount due to ultimate holding company</u>		
Singapore Dollar	6,512	+/- 326

*Note 1: Assuming all other variables held constant*

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Capital risk management

The Company's objective when managing capital risk is to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value.

The Company reviews and manages the capital structure regularly and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company is not subjected to any externally imposed capital requirements.

Fair value of financial assets and financial liabilities

The following methods and assumptions are used to estimate the fair value of each class of financial instruments.

*Cash and cash equivalents, accrued operating expenses and amount due to ultimate holding company*

The fair values of these financial instruments approximate their carrying amounts at the end of the reporting period because of their short-term maturity.

*Financial assets at FVTPL*

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table presents assets measured at fair value and classified by level of fair value measurement hierarchy as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
<b><u>As at 31 March 2020</u></b>				
Financial assets at FVTPL	-	-	1,976,593	1,976,593
<b><u>As at 31 March 2019 (Re-presented)</u></b>				
Financial assets at FVTPL	-	-	1,580,693	1,580,693

The fair value of the financial assets is valued by the scenario-based method that consider one or more possible future scenario to estimate the fair value. The financial assets are classified as level 3 of fair value measurement hierarchy.

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Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses and disclosures made. They are assessed on an on-going basis and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

*Financial assets at FVTPL*

Where the fair values of financial assets recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques. The inputs to these models are derived from observable market data where possible, but where this is not feasible, a degree of judgment is required in establishing the fair values. The judgments include considerations of liquidity and model inputs regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates. Changes in assumptions about these factors could affect the reported fair value of financial assets.

**3. Loss before tax**

Loss before tax has been arrived at after charging:

	<u>2020</u>	<u>2019</u>
	US\$	US\$
Directors' remuneration	-	-
Staff costs	-	-
Professional fee paid to a company which the director has significant influence	3,468	4,363

There is no employee in the Company as all administrative functions are handled by one of the directors of the Company.

**4. Income tax**

	<u>2020</u>	<u>2019</u>
	US\$	US\$
<u>Current tax:</u>		
- Current year	-	-

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The income tax on results differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	<b>2020</b>	<b>2019</b>
	<b>US\$</b>	<b>US\$</b>
Loss before tax	(246,316)	(314,635)
Tax calculated at tax rate of 17% (2019: 17%)	(41,874)	(53,488)
<i>Reconciling item</i>		
Expenses not deductible for tax purposes	41,874	53,488
	<u>-</u>	<u>-</u>

**5. Financial assets at FVTPL**

	<b>2020</b>	<b>2019</b>
	<b>US\$</b>	<b>US\$</b>
Unquoted shares, at fair value	<u>1,976,593</u>	<u>1,580,693</u>

**6. Cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	<b>US\$</b>	<b>US\$</b>
Cash at bank	<u>34,677</u>	<u>66,197</u>

The cash and cash equivalents that are not denominated in the functional currency of the Company are as follows:

	<b>2020</b>	<b>2019</b>
	<b>US\$</b>	<b>US\$</b>
Singapore Dollar	<u>34,677</u>	<u>66,197</u>

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**7. Share capital**

	<u>No. of shares</u>	<u>Value</u> US\$
<u>Issued and fully paid ordinary shares</u>		
<b>2020</b>		
Balance as at beginning of the year	2,680,001	1,994,888
Issuance of 840,000 shares at S\$1.00 each during the year	840,000	611,176
Balance as at end of the year	<u>3,520,001</u>	<u>2,606,064</u>
<b>2019</b>		
Balance as at beginning of the year	30,001	22,263
Issuance of 2,650,000 shares at S\$1.00 each during the year	2,650,000	1,972,625
Balance as at end of the year	<u>2,680,001</u>	<u>1,994,888</u>

The newly issued shares rank pari passu in all respects with previously issued shares. All issued ordinary shares are fully paid. There is no par value on the ordinary shares.

**8. Accrued operating expenses**

The accrued operating expenses that are not denominated in the functional currency of the Company are as follows:

	<u>2020</u> US\$	<u>2019</u> US\$
Singapore Dollar	<u>4,212</u>	<u>4,683</u>

**9. Amount due to ultimate holding company**

The balance is unsecured, interest-free and repayable on demand.

The amount due to ultimate holding company that are not denominated in the functional currency of the Company are as follows:

	<u>2020</u> US\$	<u>2019</u> US\$
Singapore Dollar	<u>6,512</u>	<u>6,512</u>

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**10. Capital commitment**

Capital expenditures contracted at the end of the reporting period but not recognised in the financial statements were as follows:

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Investment in financial assets at FVTPL	<u>1,482,000</u>	<u>2,146,000</u>

**11. Comparative figure**

As mentioned in Note 2, the Company changed its functional currency from Singapore Dollar to United States Dollar with effect from 01 April 2019 to reflect the current and prospective economic substance of the underlying transactions and circumstances of the Company operates its business activities.

The effect of the change in functional currency to United States Dollar was applied prospectively in the financial statements. The Company translated all items into the new functional currency using the exchange rate of US\$1: S\$1.3117 as at 01 April 2019.

In conjunction with the change of functional currency, the Company changed its presentation currency from Singapore Dollar to United States Dollar. This change was applied retrospectively using the following procedures:

- assets and liabilities of all corresponding figures presented (including opening balances from the beginning of earliest prior period presented) were translated at the closing rates of respective year end;
- income and expenses for all corresponding figures presented were translated at the average exchange rate for the financial year approximating the exchange rates at the dates of transactions;
- all resulting exchange differences were recognised in other comprehensive income.

**12. Authorisation of financial statements**

These financial statements were authorised for issue in accordance with a resolution of the board of directors of Apollo Hospitals Singapore Pte. Limited on 17/06/2020.