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

FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM THE DATE OF INCORPORATION, 21 MARCH 2015 TO 31 MARCH 2016

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

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DIRECTORS' STATEMENT

The directors present their statement to the member together with the audited financial statements for the financial period from the date of incorporation, 21 March 2015 to 31 March 2016.

1. Opinion of the directors

In the opinion of the directors,

(a) the financial statements of the Company set out on pages 6 to 19 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2016 and of the financial performance, changes in equity and cash flows of the Company for the financial period from the date of incorporation, 21 March 2015 to 31 March 2016; 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	(Appointed on 21 March 2015)
Richard Soemita	(Appointed on 21 March 2015)

3. Arrangement to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial period 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 period and their 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, Cap. 50 were as follow:-

	Shareholdings registered in the name of directors		Shareholdings in which directors are deemed to have an interest	
	At 21/03/2015 or date of appointment, if later	At 31/03/2016	At 21/03/2015 or date of appointment, if later	At 31/03/2016
Ordinary shares				
Number of ordinary shares				
<u>The Company</u>				
Richard Soemita	1	-	-	-

5. Directors' contractual benefits

Except as disclosed in the financial statements, since the date of incorporation, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the directors or with a firm of which they are members, or with a company in which they have a substantial financial interest.

6. Share options

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

No shares have been issued during the financial period 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 period.

7. Auditors

The auditors, K.G. TAN & CO. PAC, have expressed their willingness to accept re-appointment.

Muthu Krishnan Sankaranarayanan

Richard Soemita

Date: 25 MAY 2016

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

Report on the Financial Statements

We have audited the financial statements of Apollo Hospitals Singapore Pte. Limited (the "Company") for the financial period from the date of incorporation, 21 March 2015 to 31 March 2016 as set out on pages 6 to 19, which comprise of the statement of financial position of the Company as at 31 March 2016, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the financial period then ended, and a summary of significant accounting policies and other explanatory informations.

Management's Responsibility 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 Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards ("FRS"), 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 statement of comprehensive income and statement of financial position and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF APOLLO HOSPITALS SINGAPORE PTE. LIMITED ("Continued")

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2016, and the results, changes in equity and cash flows of the Company for the financial period ended on that date.

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.

K.G. TAN & CO. PAC
Public Accountants and
Chartered Accountants

Singapore
Date: 25 MAY 2016

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STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM THE DATE OF INCORPORATION, 21 MARCH 2015 TO 31 MARCH 2016

	Note	21 March 2015 to 31 March 2016
		$
Other expenses		(21,766)
Loss before tax	3	(21,766)
Income tax	4	-
Net loss for the period, representing total comprehensive loss for the period		(21,766)

The accompanying notes form an integral part of the financial statements

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Note	2016
		$
ASSETS		
Current assets		
Cash and cash equivalents	5	11,392
Prepayments		2,896
Total assets		14,288
EQUITY		
Share capital	6	30,001
Accumulated losses		(21,766)
Total equity		8,235
LIABILITY		
Current liability		
Accrued operating expenses		6,053
Total liability		6,053
Total equity and liability		14,288

The accompanying notes form an integral part of the financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD FROM THE DATE OF INCORPORATION, 21 MARCH 2015 TO 31 MARCH 2016

	Note	Share capital	Accumulated losses	Total equity
		$	$	$
Issuance of share upon incorporation	6	1	-	1
Issuance of shares during the period	6	30,000	-	30,000
Total comprehensive loss for the period		-	(21,766)	(21,766)
Balance as at 31 March 2016		30,001	(21,766)	8,235

The accompanying notes form an integral part of the financial statements

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM THE DATE OF INCORPORATION,
21 MARCH 2015 TO 31 MARCH 2016

	21 March 2015 to 31 March 2015
	$
Cash flows from operating activities	
Loss before tax, representing operating cash flow before working capital changes	(21,766)
Changes in operating assets and liabilities:	
- Prepayments	(2,896)
- Accrued operating expenses	6,053
Net cash used in operations, representing net cash used in operating activities	(18,609)
Cash flow from financing activity	
Proceeds from issuance of ordinary shares, representing net cash generated from financing activity	30,001
Net increase in cash and cash equivalents, representing cash and cash equivalents at the end of the period	11,392

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 is 50 Raffles Place #30-00, Singapore Land Tower, Singapore 048623.

The principal activity of the Company is providing management consultancy services for healthcare organisations and the Company has been dormant since the date of incorporation.

The Company is a wholly owned subsidiary of Apollo Hospitals Enterprise Limited, incorporated in India, which is also the Company's ultimate holding company.

2. Significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

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 financial statements are presented in Singapore Dollar ("$"), which is the Company's functional and presentation currency.

Foreign currency transactions

Transactions in foreign currencies are measured and recorded in Singapore Dollar using the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated to Singapore 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 the statement of comprehensive income.

Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
FRS 114 Regulatory Deferral Account	1 January 2016
Amendments to FRS 1 Disclosure Initiative	1 January 2016
Amendments to FRS 27 Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 16 and FRS 38 Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 16 and FRS 41 Agriculture: Bearer Plants	1 January 2016
Amendments to FRS 111 Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28 Investment Entities: Applying the Consolidation Exception	1 January 2016
Improvements to FRSs (November 2014)	
(a) Amendment to FRS 105 Non-current Assets Held for Sale Discontinued Operations	1 January 2016
(b) Amendment to FRS 107 Financial Instruments : Disclosures	1 January 2016
(c) Amendment to FRS 19 Employee Benefits	1 January 2016
(d) Amendment to FRS 34 Interim Financial Reporting	1 January 2016
FRS 109 Financial Instruments	1 January 2018
FRS 115 Revenue from Contracts with Customers	1 January 2018

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

Cash and cash equivalents

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

Financial assets

a) Classification

The Company classifies its financial assets in the following categories: (i) fair value through profit or loss, (ii) loans and receivables, (iii) held-to-maturity, and (iv) available-for-sale. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. The designation of financial assets at fair value through profit or loss is irrevocable.

i) Financial assets, at fair value through profit or loss

This category has 2 sub-categories: "financial assets held for trading" and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short-term. Financial assets designated as fair value through profit or loss at inception are those that are managed, and their performance are evaluated on a fair value basis, in accordance with a documented Company's investment strategy. Derivatives are also categorised as "held for trading" unless they are designated as hedges. Assets in this category are classified as current assets if they are held for trading or are expected to be realised within 12 months after the end of the reporting period.

ii) Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the end of the reporting period which are classified as non-current assets. Loans and receivables are classified within "trade and other receivables" and cash and cash equivalents" on the statement of financial position.

iii) Financial assets, held-to maturity

Financial assets, held-to-maturity are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. If the Company was to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for–sale. They are presented as non-current assets, except for those maturing within 12 months after the end of the reporting period which are presented as current assets.

iv) Financial assets, available-for-sale

Financial assets, available-for-sale are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the assets within 12 months after the end of the reporting period.

b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the assets. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

On sale of a financial asset, the difference between the net sale proceeds and its carrying amount is taken to the statement of comprehensive income. Any amount in the fair value reserve relating to that asset is also taken to the statement of comprehensive income.

c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised in the statement of comprehensive income.

d) Subsequent measurement

Financial assets, available-for-sale and at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and financial assets, held-to-maturity are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of "financial assets, at fair value through profit or loss" are presented in the statement of comprehensive income in the financial year in which the changes in fair values arise.

Changes in the fair value of monetary assets denominated in a foreign currency and classified as available-for-sale are analysed into translation differences resulting from changes in amortised cost of the assets and other changes. The translation differences are recognised in the profit or loss and other changes are recognised in the fair value reserve within equity. Changes in fair values of other monetary and non-monetary assets that are classified as available-for-sale are recognised in the fair value reserve within equity.

Interest on financial assets, available-for-sale, calculated using the effective interest method, is recognised in the statement of comprehensive income. Dividends on available-for-sale equity securities are recognised in the statement of comprehensive income when the Company's right to receive payment is established. When financial assets classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in the fair value reserve within equity are included in the statement of comprehensive income as "gains and losses from investment securities".

e) Impairment

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

i) Loans and receivables/Financial assets, held to maturity

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the statement of comprehensive income.

The allowance for impairment loss account is reduced through the statement of comprehensive income in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

ii) Financial assets, available-for-sale

Significant or prolonged declines in the fair value of the securities below its cost and the disappearance of an active trading market for the securities are objective evidence that the security is impaired.

The cumulative loss that was recognised in the fair value reserve is transferred to the statement of comprehensive income. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised in the statement of comprehensive income on debt securities. The impairment losses recognised in the statement of comprehensive income on equity securities are not reversed through the statement of comprehensive income.

Financial liabilities

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

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method, except for derivatives, which are measured at fair value.

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 the statement of comprehensive income 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 the statement of comprehensive income. Net gains or losses on derivatives include exchange differences.

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 amount can be made.

Share capital

Proceeds from issuance of ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

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 year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other 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 subject 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.

<u>Financial risk and management</u>

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 and liquidity risk. The Company has minimal exposure to foreign exchange risk, interest risk and is not exposed to 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.

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 their liquidity risk and obtain continuing financial support from the holding company to finance the Company's operation and to mitigate the effects of fluctuations in cash flows.

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

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 shareholder's value.

The Company reviews the capital structure regularly. As part of the review, the Company also ensures that it is in compliance with the capital requirement required by the regulator.

The Company is not subject 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 and accrued operating expenses

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

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain accounting estimates and assumptions. There are no areas involving higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

3. Loss before tax

Loss before tax has been arrived at after charging:

	21 March 2015 to 31 March 2016
	$
Staff costs	-
Directors' remuneration	-

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

4. Income tax

(a) Tax credit

	21 March 2015 to 31 March 2016
	$
Current tax	
- Current year	-

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

	21 March 2015 to 31 March 2016
	$
Loss before tax	(21,766)
Tax calculated at tax rate of 17%	(3,700)
Reconciling item	
Deferred tax asset not recognised	3,700
	-

(b) Deferred tax asset

The Company has unutilised losses of approximately $21,800 which is available for off-setting against future taxable income subject to there being no substantial change in the shareholders as requested by the relevant provision of the Singapore Income Tax Act. This amount is subject to agreement with the Inland Revenue Authority of Singapore and has not been recorded in the financial statements as deferred tax asset as the realisation of the deferred tax asset is uncertain.

5. Cash and cash equivalents

	2016
	$
Cash at bank	11,392

6. Share capital

	No. of shares	Value
		$
Issued and fully paid ordinary shares		
2016		
Issuance of 1 share at $1.00 each upon incorporation	1	1
Issuance of 30,000 shares at $1.00 during the period	30,000	30,000
Balance as at end of the period	30,001	30,001

The newly issued shares rank pari pasus in all respects with previously issued shares. All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

7. Comparative figure

No comparative figures are available as this is the first set of financial statements prepared by the Company since the date of its incorporation.

8. 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 25 MAY 2016.