

BLISS GVS CLINIC HEALTH CARE PTE. LTD.

(Registration Number: 201201813H)

(Incorporated in Singapore)

FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

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(Registration Number: 201201813H)
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FINANCIAL STATEMENTS
For the financial year ended 31 March 2018

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BLISS GVS CLINIC HEALTH CARE PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2018

The directors are pleased to present their statement to the member together with the audited financial statements of Bliss GVS Clinic Health Care Pte. Ltd. (the "Company") for the financial year ended 31 March 2018.

1. Opinion of the directors

In the opinion of the directors,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2018 and of the financial performance, changes in equity and cash flows of the Company for the financial year then ended; 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 of the Company in office at the date of this statement are as follows:

Effendy Ahamed Harith Merican
Gautam Rasiklall Ashra
Narsimha Shibroor Kamath

3. Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whole objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

4. Directors' interests in shares and debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

| Name of directors | No. of ordinary shares | | | |
|-------------------------------------|--|-----------------------------|---|-----------------------------|
| | Holdings registered in the name of director | | Holdings in which director is deemed to have an interest | |
| | At beginning of financial year | At end of financial year | At beginning of financial year | At end of financial year |
| Company Narsimha Shibroor Kamath | | | 10,000 | 10,000 |

BLISS GVS CLINIC HEALTH CARE PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2018

4. Directors' interests in shares and debentures (continued)

| Name of directors | No. of ordinary shares | | | |
|---|---|--------------------------|--|--------------------------|
| | Holdings registered in the name of director | | Holdings in which director is deemed to have an interest | |
| | At beginning of financial year | At end of financial year | At beginning of financial year | At end of financial year |
| Holding company – Bliss GVS Pharma Limited | | | | |
| Gautam Rasiklal Ashra | 5,231,045 | 5,231,045 | 8,408,257 | 8,626,257 |
| Narsimha Shibroor Kamath | 47,017,024 | 42,017,024 | 1,000,000 | 6,000,000 |

5. Share options

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

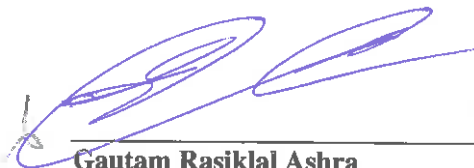
There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

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

6. Auditor

Bestar Assurance PAC have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors



Gautam Rasiklal Ashra
Director

17 MAY 2018



Narsimha Shibroor Kamath
Director

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Fax: +65 6631 8594

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BLISS GVS CLINIC HEALTH CARE PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bliss GVS Clinic Health Care Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2018, and the statement of profit or loss and other 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 2018 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

Basis for 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 a basis 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.

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

Continued.....

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
BLISS GVS CLINIC HEALTH CARE PTE. LTD.**
(continued)

Other Information (continued)

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.

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 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 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.

Continued.....

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BLISS GVS CLINIC HEALTH CARE PTE. LTD.

(continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
BLISS GVS CLINIC HEATH CARE PTE. LTD.**
(continued)

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.



Bestar Assurance PAC
Public Accountants and
Chartered Accountants
Singapore

17 MAY 2010

BLISS GVS CLINIC HEALTH CARE PTE. LTD.**STATEMENT OF FINANCIAL POSITION***As at 31 March 2018*

| | Note | 2018 US\$ | 2017 US\$ |
|--|-------------|----------------------------|----------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Investment in subsidiary | 4 | - | 8,426,450 |
| Total non-current assets | | - | 8,426,450 |
| Current assets | | | |
| Other receivables | 5 | 24,439,511 | 846,139 |
| Cash and cash equivalents | 6 | 1,696,441 | 39,597 |
| Total current assets | | 26,135,952 | 885,736 |
| Total assets | | 26,135,952 | 9,312,186 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 7 | 8,000 | 8,000 |
| Retained earnings / (accumulated losses) | | 2,102,227 | (1,395,878) |
| Total equity | | 2,110,227 | (1,387,878) |
| Current liabilities | | | |
| Other payables | 8 | 24,025,725 | 10,700,064 |
| Total current liabilities | | 24,025,725 | 10,700,064 |
| Total liabilities | | 24,025,725 | 10,700,064 |
| Total equity and liabilities | | 26,135,952 | 9,312,186 |

BLISS GVS CLINIC HEALTH CARE PTE. LTD.**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME***For the financial year ended 31 March 2018*

| | Note | <u>2018</u> US\$ | <u>2017</u> US\$ |
|---|------|---------------------|---------------------|
| Revenue | | - | - |
| Other income | 9 | 3,564,411 | 20 |
| Administrative and other operating expenses | | (21,405) | (13,232) |
| Finance costs | 10 | (44,901) | (96,889) |
| Profit / (loss) before income tax | 11 | <u>3,498,105</u> | <u>(110,101)</u> |
| Income tax expense | 12 | - | - |
| Net profit / (loss) for the financial year | | <u>3,498,105</u> | <u>(110,101)</u> |
| Other comprehensive income, net of tax | | - | - |
| Total comprehensive income / (loss) for the financial year | | <u>3,498,105</u> | <u>(110,101)</u> |

BLISS GVS CLINIC HEALTH CARE PTE. LTD.**STATEMENT OF CHANGES IN EQUITY***For the financial year ended 31 March 2018*

| | Share capital | (Accumulated losses) / retained earnings | Total |
|---|--------------------------|---|-------------------------|
| | US\$ | US\$ | US\$ |
| At 1 April 2016 | 8,000 | (1,285,777) | (1,277,777) |
| Total comprehensive loss for the financial year | - | (110,101) | (110,101) |
| At 31 March 2017 | <u>8,000</u> | <u>(1,395,878)</u> | <u>(1,387,878)</u> |
| Total comprehensive income for the financial year | - | 3,498,105 | 3,498,105 |
| At 31 March 2018 | <u><u>8,000</u></u> | <u><u>2,102,227</u></u> | <u><u>2,110,227</u></u> |

BLISS GVS CLINIC HEALTH CARE PTE. LTD.**STATEMENT OF CASH FLOWS***For the financial year ended 31 March 2018*

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|---|---------------------|---------------------|
| Cash flows from operating activities | | |
| Profit /(loss) before income tax | 3,498,105 | (110,101) |
| Adjustments for: | | |
| Interest expense | 44,901 | 96,889 |
| Gain on disposal of subsidiary | <u>(3,556,766)</u> | <u>-</u> |
| Operating loss before working capital changes | (13,760) | (13,212) |
| Changes in working capital: | | |
| Other receivables | (11,610,156) | 1,000,000 |
| Other payables | <u>14,301,628</u> | <u>(114,840)</u> |
| Net cash from operating activities | <u>2,677,712</u> | <u>871,948</u> |
| Cash flows from financing activities | | |
| Repayment of advances from a related company | (20,868) | (28,007) |
| Repayment of advances from holding company | <u>(1,000,000)</u> | <u>(867,644)</u> |
| Net cash used in from financing activities | <u>(1,020,868)</u> | <u>(895,651)</u> |
| Net increase / (decrease) in cash and cash equivalents | 1,656,844 | (23,703) |
| Cash and cash equivalents at beginning of the financial year | <u>39,597</u> | <u>63,300</u> |
| Cash and cash equivalents at end of the financial year | <u>1,696,441</u> | <u>39,597</u> |

BLISS GVS CLINIC HEALTH CARE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

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

1. General

Bliss GVS Clinic Health Care Pte. Ltd. (the “Company”) is incorporated and domiciled in Singapore. The registered office and principal place of business of the Company is located at 30 Cecil Street, #19-08, Singapore 049712.

The principal activity of the Company is that of investment holding company. There has been no significant change to the Company’s principal activity during the financial year. The principal activity of the Company’s subsidiary is disclosed in Note 4 to the financial statements.

The Company’s immediate and ultimate holding company is Bliss GVS Pharma Limited, a company incorporated in India.

The financial statements of the Company for the financial year ended 31 March 2018 were authorised for issue in accordance with a resolution of the directors as stated in the Directors’ Statement.

2. Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (“FRS”).

The financial statements of the Company are presented in United States Dollars (“US\$”), which is the Company’s functional currency and are prepared in accordance with the historical cost convention except for the accounting policies as stated below.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous financial year.

Interpretations and amendments to published standards effective from 1 April 2017

On 1 April 2017, the Company adopted the new or amended FRS and interpretations to FRS (“INT FRS”) that are mandatory for application from that date. Changes to the Company’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of the new or amended FRS and INT FRS did not result in substantial changes to the Company’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. Significant accounting policies (continued)

(b) Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

(c) Investment in subsidiary

Subsidiaries are entities (including special purpose entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power over the entity.

The accompanying financial statements are the separate financial statements of the Company. The Company is exempted from the preparation of consolidated financial statements as the Company's holding company, Bliss GVS Pharma Limited, a company incorporated in India, which produces consolidated financial statements available for public use. The registered office of Bliss GVS Pharma Limited is at 102 Hyde Park, Saki Vihar Road, Andheri (East), Mumbai – 400 072, India.

(d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is recognised is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. Significant accounting policies (continued)

(d) Impairment of non-financial assets (continued)

As previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine that asset's recoverable amount since the last impairment loss was recognised amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal recognised in profit or loss.

(e) Financial assets

(i) Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When the financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Company has financial assets which are all classified as loans and receivables.

(ii) Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables comprise other receivables (excluding advances to suppliers) and cash and cash equivalents.

Cash and cash equivalents comprise cash at banks.

(iii) De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. Significant accounting policies (continued)

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks which are subject to an insignificant risk of change in value.

(g) Impairment of financial assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. Significant accounting policies (continued)

(h) Share capital

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

(i) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

(ii) Subsequent measurement

After the initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise other payables (excluding advances from customers).

(iii) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(j) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

2. Significant accounting policies (continued)

(k) Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the financial year end date.

Current income taxes are 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. 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.

Deferred tax

Deferred tax is provided using the liability method or temporary differences at the financial year end date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax asset is not recognised for temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each financial year and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the financial year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each financial year.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right to exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

3. Critical accounting judgement and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the Company's accounting policies

The management is of the opinion that the key judgement which has the most significant effect on the amounts recognised in the financial statements is discussed below:

Determination of functional currency

The Company measures foreign currency transactions in the functional currency of the Company. In determining the functional currency of the Company, judgment is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currency of the Company is determined based on management's assessment of the economic environment.

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income taxes

The Company is subject to income taxes in Singapore. Significant judgement is involved in determining the company-wide provision for income taxes. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income taxes and deferred tax provisions in the period in which such determination is made.

BLISS GVS CLINIC HEALTH CARE PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2018***4. Investment in subsidiary**

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|------------------------------------|---------------------|---------------------|
| Equity investment at cost: | | |
| At beginning of financial year | 8,426,450 | 8,426,450 |
| Disposal during the financial year | (8,426,450) | - |
| At end of financial year | <u>-</u> | <u>8,426,450</u> |

During the current financial year, the Company had disposed its subsidiary for a total consideration of US\$12,000,000. The consideration for the disposal of subsidiary remains outstanding as at 31 March 2018 and is shown as amount due from a third party under other receivables in Note 5. The gain on disposal of US\$3,556,766 was recognised in other income (Note 9).

Details of subsidiary are as follows:

| Name of subsidiary | Principal activities | Principal place of business / country of incorporation | Effective ownership interest | |
|----------------------------|---|--|------------------------------|------------------|
| | | | <u>2018</u> % | <u>2017</u> % |
| <u>Held by the Company</u> | | | | |
| Bliss GVS Healthcare Ltd | Provision of medical treatment to patient | Kenya | - | 51 |

5. Other receivables

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|--|---------------------|---------------------|
| Advances to suppliers | 10,532,380 | - |
| Amount due from a related company | 1,907,131 | - |
| Amount due from a third party (Note 4) | 12,000,000 | 846,139 |
| | <u>24,439,511</u> | <u>846,139</u> |

Amount due from a related company is non-trade in nature, interest-free and repayable on demand.

Amount due from a third party represents unpaid consideration for the sale proceeds from the disposal of subsidiary. The balance is unsecured, interest-free and repayable on demand.

BLISS GVS CLINIC HEALTH CARE PTE. LTD.**NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 March 2018***6. Cash and cash equivalents**

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|---------------|---------------------|---------------------|
| Cash at banks | <u>1,696,441</u> | <u>39,597</u> |

Cash and cash equivalents are denominated in the following currencies:

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|----------------------|---------------------|---------------------|
| Singapore Dollar | 18,769 | 15,562 |
| United States Dollar | <u>1,677,672</u> | <u>24,035</u> |
| | <u>1,696,441</u> | <u>39,597</u> |

7. Share capital

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|--|---------------------|---------------------|
| Issued and fully paid share capital | | |
| At beginning and end of financial year: | | |
| 10,000 (2017: 10,000) ordinary shares | <u>8,000</u> | <u>8,000</u> |

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. The ordinary shares have no par value and carry one vote per share without restriction.

8. Other payables

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|---------------------------------|---------------------|---------------------|
| Accruals | 4,983 | 5,321 |
| Advances from customers | 14,319,320 | - |
| Amount due to a related company | - | 20,868 |
| Loan from holding company | 9,694,687 | 10,656,521 |
| Withholding tax payable | 6,735 | 14,052 |
| Other creditors | - | 3,302 |
| | <u>24,025,725</u> | <u>10,700,064</u> |

BLISS GVS CLINIC HEALTH CARE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

8. Other payables (continued)

Amount due to a related company was non-trade in nature, unsecured, interest-free and repayable on demand.

Loan from holding company, unsecured, bears interest at 0.5% (2017: 0.5% to 4.61%) per annum and repayable on demand.

9. Other income

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|--|---------------------|---------------------|
| Foreign exchange gain | 946 | 20 |
| Gain on disposal of investment in subsidiary | 3,556,766 | - |
| Other payables written off | 6,699 | - |
| | <u>3,564,411</u> | <u>20</u> |

10. Finance cost

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|---------------------------------------|---------------------|---------------------|
| Interest on loan from holding company | <u>44,901</u> | <u>96,889</u> |

11. Profit / (loss) before income tax

This is arrived at after charging the following items:

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|-------------------|---------------------|---------------------|
| Professional fees | <u>9,161</u> | <u>1,432</u> |

BLISS GVS CLINIC HEALTH CARE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

12. Income tax expense

The Company is not subject to any taxation in respect of the current financial year as it has no chargeable income.

The current year income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2017: 17%) to profit / (loss) before income tax as a result of the following differences:

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|--|---------------------|---------------------|
| Profit / (loss) before income tax | 3,498,105 | (110,101) |
| Income tax expense at statutory rate | 594,678 | (18,717) |
| Expenses not deductible for tax purposes | 13,964 | 18,717 |
| Income not subject to tax | (608,642) | |
| | <u>-</u> | <u>-</u> |

13. Related party transactions

Parties are considered related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related party if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

There were no other transactions that took place between the Company and related parties other than the information disclosed elsewhere in the financial statements.

14. Financial risk management

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and foreign currency risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

14. Financial risk management (continued)

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

The Company has no significant concentration of credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Financial assets that are neither past due or impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash and cash equivalents are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

The Company does not have any financial assets that are past due / and or impaired.

Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Company's operations are financed mainly through equity. The director is satisfied that funds are available to finance the operations of the Company.

No analysis of financial instruments by remaining contractual maturities are presented as they are due within one year.

BLISS GVS CLINIC HEALTH CARE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

14. Financial risk management (continued)

Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from transactions that are denominated in a currency other than the functional currency of the Company, primarily Singapore Dollar ("SGD").

The Company's currency exposures to SGD at the reporting date were as follows:

| | <u>2018</u> | <u>2017</u> |
|---------------------------|---------------|---------------|
| | SGD | SGD |
| | US\$ | US\$ |
| Financial assets | | |
| Cash and cash equivalents | <u>18,769</u> | <u>15,562</u> |

A 10% strengthening of United States Dollar against the foreign currency denominated balances as at the reporting date would decrease profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

| | Profit after tax | |
|------------------|-------------------------|--------------|
| | <u>2018</u> | <u>2017</u> |
| | US\$ | US\$ |
| Singapore Dollar | <u>1,558</u> | <u>1,292</u> |

A 10% weakening of United States Dollar against the above currency would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

BLISS GVS CLINIC HEALTH CARE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

15. Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

16. Financial instruments by category

At the reporting date, the aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost were as follows:

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|---|---------------------|---------------------|
| Loans and receivables | | |
| Other receivables (excluding advances to suppliers) | 13,907,131 | 846,139 |
| Cash and cash equivalents | <u>1,696,441</u> | <u>39,597</u> |
| | <u>15,603,572</u> | <u>885,736</u> |
| Financial liabilities measured at amortised cost | | |
| Other payables (excluding advances from customers) | <u>9,706,405</u> | <u>10,700,064</u> |

17. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings / (accumulated losses).

The Company manages its capital structure 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 subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year. The Company's overall strategy remains unchanged from previous financial year.

BLISS GVS CLINIC HEALTH CARE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2018

18. New or revised FRS and INT FRS issued but not yet effective

The Company has not early adopted any mandatory standards, amendments and interpretations to existing standards that have been published but are only effective for the Company's accounting periods beginning on or after 1 April 2018. However, management anticipates that the adoption of these standards and interpretations will not have a material impact on the financial statements of the Company in the period of their initial adoption.

-----End of audited financial statements-----

BLISS GVS CLINIC HEALTH CARE PTE. LTD.**DETAILED INCOME STATEMENT***For the financial year ended 31 March 2018*

| | <u>2018</u> US\$ | <u>2017</u> US\$ |
|--|---------------------|---------------------|
| Revenue | - | - |
| Add: Other income | | |
| Foreign exchange gain | 946 | 20 |
| Gain on disposal of investment in subsidiary | 3,556,766 | - |
| Other payables written off | 6,699 | - |
| | <u>3,564,411</u> | <u>20</u> |
| Less: Administrative and other operating expenses | | |
| Audit fees | 1,983 | 5,321 |
| Bank charges | 3,368 | 1,593 |
| Filing fees | 203 | - |
| Interest on withholding tax payable | 1,063 | - |
| Penalty | 5,627 | - |
| Professional fees | 9,161 | 1,432 |
| Secretarial fees | - | 2,302 |
| Prior year expenses | - | 2,584 |
| | <u>21,405</u> | <u>13,232</u> |
| Less: Finance cost | | |
| Interest on loan from holding company | 44,901 | 96,889 |
| Profit / (loss) before income tax | <u>3,498,105</u> | <u>(110,101)</u> |

The above statement does not form part of the audited financial statements.