

4  
Company No. 945028-M

**GENERIC HEALTH SDN. BHD.**  
**(945028-M)**  
**(Incorporated in Malaysia)**

**REPORT AND FINANCIAL STATEMENTS**  
**31 MARCH 2018**

**GENERIC HEALTH SDN. BHD. (945028-M)**  
**(Incorporated in Malaysia)**

**REPORT AND FINANCIAL STATEMENTS**  
**31 MARCH 2018**

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**GENERIC HEALTH SDN. BHD. (945028-M)**  
**(Incorporated in Malaysia)**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2018**

	Note	2018 RM	2017 RM
<b>CURRENT ASSETS</b>			
Deposit		10,000	10,000
Cash and bank balances		<u>29,748</u>	<u>34,011</u>
<b>TOTAL ASSETS</b>		<u><u>39,748</u></u>	<u><u>44,011</u></u>
<b>EQUITY</b>			
Share capital	6	341,144	291,300
Accumulated losses		<u>(306,296)</u>	<u>(261,021)</u>
		<u>34,848</u>	<u>30,279</u>
<b>CURRENT LIABILITY</b>			
Other payable and accruals	7	<u>4,900</u>	<u>13,732</u>
<b>TOTAL LIABILITY</b>		<u>4,900</u>	<u>13,732</u>
<b>TOTAL EQUITY AND LIABILITY</b>		<u><u>39,748</u></u>	<u><u>44,011</u></u>

The annexed notes form an integral part of the financial statements.

**GENERIC HEALTH SDN. BHD. (945028-M)**  
**(Incorporated in Malaysia)**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

	Note	2018 RM	2017 RM
<b>REVENUE</b>		-	-
<b>ADMINISTRATIVE EXPENSES</b>		<u>(45,275)</u>	<u>(45,447)</u>
<b>LOSS BEFORE TAX</b>	8	(45,275)	(45,447)
<b>TAXATION</b>	9	<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL YEAR</b>		<u><u>(45,275)</u></u>	<u><u>(45,447)</u></u>

The annexed notes form an integral part of the financial statements.

**GENERIC HEALTH SDN. BHD. (945028-M)**  
**(Incorporated in Malaysia)**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

	Share capital RM	Accumulated losses RM	Total RM
As at 1.4.2016	228,241	(215,574)	12,667
Issue of shares (Note 6)	63,059	-	63,059
Total comprehensive expenses for the financial year ended 31.3.2017	<u>-</u>	<u>(45,447)</u>	<u>(45,447)</u>
Balance as at 31.3.2017 / 1.4.2017	291,300	(261,021)	30,279
Issue of shares (Note 6)	49,844	-	49,844
Total comprehensive expenses for the financial year ended 31.3.2018	<u>-</u>	<u>(45,275)</u>	<u>(45,275)</u>
Balance as at 31.3.2018	<u><u>341,144</u></u>	<u><u>(306,296)</u></u>	<u><u>34,848</u></u>

The annexed notes form an integral part of the financial statements.

**GENERIC HEALTH SDN. BHD. (945028-M)**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018**

	2018 RM	2017 RM
<b>CASH FLOW FROM OPERATING ACTIVITY</b>		
Loss before tax	(45,275)	(45,447)
(Decrease)/Increase in other payable and accruals	<u>(8,832)</u>	<u>7,268</u>
<b>Net cash used in operating activity</b>	(54,107)	(38,179)
<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
Issue of shares	<u>49,844</u>	<u>63,059</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(4,263)	24,880
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<u>34,011</u>	<u>9,131</u>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<u><u>29,748</u></u>	<u><u>34,011</u></u>

The annexed notes form an integral part of the financial statements.

**GENERIC HEALTH SDN. BHD. (945028-M)**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2018**

**1. PRINCIPAL ACTIVITIES**

The Company was incorporated mainly for manufacture, sale, distribution, export, import and purchase of all kinds of chemical, pharmaceutical chemical, cosmetic products and similar articles.

The Company has not commenced operations since its date of incorporation.

**2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Company have been prepared in accordance with the applicable approved Malaysian Financial Reporting Standards ("MFRSs") issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of accounting**

The financial statements of the Company have been prepared under the historical cost convention.

The preparation of financial statements requires the directors to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. In addition, the directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 5. Although these estimates and assumptions are based on the directors' best knowledge of events and actions, actual results could differ from those estimates.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (b) Financial instruments

##### (i) Initial recognition and measurement

The Company recognises a financial asset or a financial liability in the statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument. On initial recognition, the Company recognises all financial assets and financial liabilities at fair value.

The fair value of a financial asset/liability on initial recognition is normally represented by the transaction price. The transaction price for financial assets/liabilities other than those classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition/issue of the financial instrument. Transaction costs incurred on acquisition of a financial asset and issue of a financial liability classified at fair value through profit or loss are expensed immediately.

The Company recognises financial assets using settlement date accounting, thus an asset is recognised on the day it is received by the Company and derecognised on the day that it is delivered by the Company.

##### (ii) Subsequent measurement of financial assets

Subsequent measurement of financial assets depends on their classification on initial recognition. The Company classifies financial assets in the following category:

###### **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that the Company intends to sell immediately or in the near term cannot be classified in this category. These assets are carried at amortised cost using the effective interest method (except for short-term receivables where interest is immaterial) minus any reduction for impairment or uncollectibility.

Typically trade and other receivables are classified in this category.

##### (iii) Impairment of financial assets

At the end of each reporting year, the Company assesses whether its financial assets are impaired, based on objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the financial assets have been affected. Objective evidence of impairment could include significant financial difficulty of the counterparty, breach of contract, probability that the borrower will enter bankruptcy, disappearance of an active market for that financial asset because of financial difficulties, etc.



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (b) Financial instruments (continued)

##### (iii) Impairment of financial assets (continued)

For AFS equity instruments, a significant or prolonged decline in the fair value of the investment below its cost is considered also to be objective evidence of impairment.

Only for trade receivables, the carrying amount is reduced through the use of an allowance account and subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For all other financial assets, the carrying amount is directly reduced by the impairment loss.

For financial assets measured at amortised cost, if the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed (either directly or by adjusting the allowance account for trade receivables) through profit or loss. However, the reversal must not result in a carrying amount that exceeds what the amortised cost of the financial asset would have been had the impairment not been recognised at the date the impairment is reversed.

For AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss. In respect of AFS equity securities, an increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated in revaluation reserve; impairment losses are not reversed through profit or loss.

##### (iv) Derecognition of financial assets

Irrespective of the legal form of the transactions, financial assets are derecognised when they pass the “substance over form” based derecognition test prescribed by MFRS 139. That test comprises two different types of evaluations which are applied strictly in sequence:

- Evaluation of the transfer of risks and rewards of ownership
- Evaluation of the transfer of control

Whether the assets are recognised/derecognised in full or recognised to the extent of Company’s continuing involvement depends on accurate analysis which is performed on a specific transaction basis.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (b) Financial instruments (continued)

##### (v) Subsequent measurement of financial liabilities

Subsequent measurement of financial liabilities depends on how they have been categorised on initial recognition. The Company classifies financial liabilities in one of the following two categories:

##### (a) Liabilities at fair value through profit or loss (“FVTPL”)

Liabilities are classified in this category when they are held principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or meet the conditions for designation in this category. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as they arise.

For the financial years that ended on 31 December 2017 and 2016, the Company did not classify any financial liabilities held for trading or designated as at fair value through profit or loss.

##### (b) Other financial liabilities

All liabilities which have not been classified in the previous category fall into this residual category.

These liabilities are carried at amortised cost using the effective interest method.

Typically, trade and other payables and borrowings are classified in this category.

Items classified within trade and other payables are not usually remeasured, as the obligation is known with a high degree of certainty and settlement is short-term.

##### (vi) Derecognition of financial liabilities

A financial liability is removed from the Company’s statement of financial position only when the liability is discharged, cancelled or expired (i.e. extinguished). The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (b) Financial instruments (continued)

##### (vii) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

- (a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
- (b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

#### (c) Equity

Equity instruments are contracts that give a residual interest in the net assets of the Company. Ordinary shares are classified as equity. Equity instruments are recognised at the amount of proceeds received net of costs directly attributable to the transaction.

#### (d) Income taxes

Tax currently payable is calculated using the tax rates in force or substantively enacted at the reporting date. Taxable profit differs from accounting profit either because some income and expenses are never taxable or deductible, or because the time pattern that they are taxable or deductible differs between tax law and their accounting treatment.

Using the statement of financial position liability method, deferred tax is recognised in respect of all temporary differences between the carrying value of assets and liabilities in the statement of financial position and the corresponding tax base, with the exception of goodwill not deductible for tax purposes and temporary differences arising on initial recognition of assets and liabilities that do not affect taxable or accounting profit.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (d) Income taxes (continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised only to the extent that the Company considers that it is probable (i.e. more likely than not) that there will be sufficient taxable profits available for the asset to be utilised within the same tax jurisdiction.

Unutilised reinvestment allowance and investment tax allowance, being tax incentives that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentive can be utilised.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets against current tax liabilities, they relate to the same tax authority and the Company's intention is to settle the amounts on a net basis.

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except if it arises from transactions or events that are recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively. Where tax arises from the initial accounting for a business combination, it is included in the accounting for the business combination.

#### (e) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, the Company uses market observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Company (working closely with external qualified valuers) using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account.

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (e) Fair value measurement (continued)

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognised by the Company at the end of the reporting period during which the change occurred.

#### (f) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, on demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

#### 4. ADOPTION OF MFRSs, AMENDMENTS TO MFRSs AND INTERPRETATIONS

##### 4.1 MFRSs, Amendments to MFRSs and Interpretations adopted

For the preparation of the financial statements, the following accounting standards, amendments and interpretations of the MFRS framework issued by the MASB are mandatory for the first time for the financial year beginning on or after 1 January 2017:

- Amendments to MFRS 107 *Statement of Cash Flows – Disclosure Initiative*
- Amendments to MFRS 112 *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses*
- Amendments to MFRS 12 *Disclosure of Interests in Other Entities (Annual Improvements 2014-2016 Cycle)*

The adoption of the above mentioned accounting standards, amendments and interpretations are not expected to have any significant impact on the financial statements of the Company.

##### 4.2 New/ Revised MFRSs, Amendments to MFRSs and Interpretations not adopted

The following are accounting standards, amendments and interpretations of the MFRS framework that have been issued by the MASB but have not been adopted by the Company:

##### **MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after 1 January 2018**

- MFRS 9 *Financial Instruments (2014)*
- MFRS 15 *Revenue from Contracts with Customers*
- Amendments to MFRS 15 – *Clarifications to MFRS 15*
- Amendments to MFRS 2 *Share-based Payment – Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2014-2016 Cycle)*
- Amendments to MFRS 128 *Investments in Associates and Joint Ventures (Annual Improvements 2014-2016 Cycle)*
- Amendments to MFRS 140 *Investment Property – Transfers of Investment Property*
- IC Interpretation 22 *Foreign Currency Transactions and Advance Consideration*

#### 4. ADOPTION OF MFRSs, AMENDMENTS TO MFRSs AND INTERPRETATIONS (CONTINUED)

##### 4.2 New/ Revised MFRSs, Amendments to MFRSs and Interpretations not adopted (continued)

**MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after 1 January 2019**

- MFRS 16 *Leases*
- IC Interpretation 23 *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 9 *Financial Instruments (2014) – Prepayment Features with Negative Compensation*
- Amendments to MFRS 128 *Investments in Associates and Joint Ventures – Long-term Interest in Associates and Joint Ventures*
- Amendments to MFRS 3 *Business Combinations – Previously Held Interest in a Joint Operation (Annual Improvements 2015-2017 Cycle)*
- Amendments to MFRS 11 *Joint Arrangements – Previously Held Interest in a Joint Operation (Annual Improvements 2015-2017 Cycle)*
- Amendments to MFRS 112 *Income Taxes – Income Tax Consequences of Payments on Financial Instruments Classified as Equity (Annual Improvements 2015-2017 Cycle)*
- Amendments to MFRS 123 *Borrowing Costs – Borrowing Costs Eligible for Capitalisation (Annual Improvements 2015-2017 Cycle)*
- Amendments to MFRS 119 *Employee Benefits – Plan Amendment, Curtailment or Settlement*

**MFRSs, Amendments to MFRSs and Interpretations effective date yet to be confirmed**

- Amendments to MFRS 10 *Consolidated Financial Statements* and MFRS 128 *Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The directors anticipate that the above mentioned accounting standards, interpretations and amendments will be adopted by the Company when they become effective.

Amendments to MFRS 4 *Insurance Contracts – Applying MFRS 9 Financial Instruments* with MFRS 4 *Insurance Contracts* and MFRS 17 *Insurance Contracts* have not been taken into consideration because they are not applicable to the Company.

The Company have assessed, where practicable, the potential impact of all these accounting standards, amendments and interpretations that will be effective in future period, as below:

#### 4. ADOPTION OF MFRSs, AMENDMENTS TO MFRSs AND INTERPRETATIONS (CONTINUED)

##### 4.2 New/ Revised MFRSs, Amendments to MFRSs and Interpretations not adopted (continued)

###### ***MFRS 9 Financial Instruments***

MFRS 9 replaces the guidance in MFRS 139 *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, impairment, hedge accounting, recognition and derecognition.

- MFRS 9 requires all recognised financial assets to be subsequently measured at amortised cost or fair value (through profit or loss or through other comprehensive income), depending on their classification by reference to the business model within which they are held and their contractual cash flow characteristics.
- For financial liabilities, the most significant effect of MFRS 9 relates to cases where the fair value option is taken: the amount of change in fair value of a financial liability designated as at fair value through profit or loss that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income (rather than in profit or loss), unless this creates an accounting mismatch.
- For the impairment of financial assets, MFRS 9 introduces an “expected credit loss (ECL)” model based on the concept of providing for expected losses at inception of a contract; recognition of a credit loss should no longer wait for there to be objective evidence of impairment.
- For hedge accounting, MFRS 9 introduces a substantial overhaul allowing financial statements to better reflect how risk management activities are undertaken when hedging financial and non-financial risk exposures.
- The recognition and derecognition provisions are carried over almost unchanged from MFRS 139.

The directors anticipate that MFRS 9 will be adopted in the Company’s financial statements when it becomes mandatory. The directors have performed a preliminary assessment of the impact of MFRS 9 on the financial statements based on an analysis of the Company’s financial assets and financial liabilities as at 31 March 2018 (Note 10) on the basis of the facts and circumstances that exist at that date.

###### ***MFRS 15 Revenue from Contracts with Customers***

MFRS 15 replaces the guidance in MFRS 111 *Construction Contracts*, MFRS 118 *Revenue*, IC Interpretation 13 *Customer Loyalty Programmes*, IC Interpretation 15 *Agreements for Construction of Real Estate*, IC Interpretation 18 *Transfers of Assets from Customers* and IC Interpretation 131 *Revenue – Barter Transactions Involving Advertising Services*.



#### 4. ADOPTION OF MFRSs, AMENDMENTS TO MFRSs AND INTERPRETATIONS (CONTINUED)

##### 4.2 New/ Revised MFRSs, Amendments to MFRSs and Interpretations not adopted (continued)

###### *MFRS 15 Revenue from Contracts with Customers (continued)*

It establishes a single and comprehensive framework for revenue recognition to apply consistently across transactions, industries and capital markets, with a core principle (based on a five-step model to be applied to all contracts with customers), enhanced disclosures, and new or improved guidance (e.g. the point at which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract, etc.). The directors anticipate that MFRS 15 will be adopted in the Company's financial statements when it becomes mandatory, and they intend to use the modified retrospective method of transition to the new Standard.

Based on the current accounting treatment of the Company's major sources of revenue, the directors do not anticipate that the application of MFRS 15 will have a significant impact on the financial position and/or financial performance of the Company, apart from providing more extensive disclosures on the Company's revenue transactions. However, as the directors are still in the process of assessing the full impact of the application of MFRS 15 on the Company's financial statements, it is not practicable to provide a reasonable financial estimate of the effect until the directors complete the detailed review.

###### *MFRS 16 Leases*

MFRS 16 introduces a single accounting model for a lessee and eliminates the distinction between finance lease and operating lease. Lessee is now required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Upon adoption of MFRS 16, the Company is required to account for major part of its operating leases in the statement of financial position by recognising the 'right-of-use' assets and the lease liability, thus increasing the assets and liabilities of the Company.

The financial effects arising from the adoption of this standard are still being assessed by the Company.

#### 5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing its financial statements, the Company have made significant judgements, estimates and assumptions that impact on the carrying value of certain assets and liabilities, income and expenses as well as other information reported in the notes. The Company periodically monitor such estimates and assumptions and makes sure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

There were no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## 6. SHARE CAPITAL

	2018 RM	2017 RM
291,300 (2017: 228,241) ordinary shares each at beginning of financial year	291,300	228,241
49,844 (2017: 63,059) ordinary shares during the financial year	<u>49,844</u>	<u>63,059</u>
341,144 (2017: 291,300) ordinary shares at end of financial year	<u>341,144</u>	<u>291,300</u>

During the financial year, the issued and paid up share capital of the Company was increased from RM291,300 to RM341,144 by way of an issue of 49,844 ordinary shares by capitalising the amounts due to immediate holding company.

## 7. OTHER PAYABLE AND ACCRUALS

	2018 RM	2017 RM
Other payable	-	8,832
Accruals	<u>4,900</u>	<u>4,900</u>
	<u>4,900</u>	<u>13,732</u>

## 8. LOSS BEFORE TAX

Loss before tax is stated after charging:-

	2018 RM	2017 RM
Audit fee	<u>4,500</u>	<u>4,500</u>

## 9. TAXATION

There was no taxation charge for the financial year as there was no taxable income.

## 10. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Company has exposure to financial risks to the following:

- (a) credit risk arising from its deposit.
- (b) liquidity risk from its other payable and accruals.

The directors are of the view that the above risks are not significant.

## 11. CAPITAL MANAGEMENT

The primary objective of the management of the Company's capital structure is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

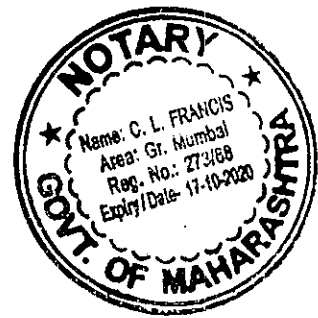
The Company is not subject to externally imposed capital requirements.

During the financial year, no significant changes were made in the objectives, policies or processes for managing capital.

## 12. OTHER INFORMATION

- (a) The Company is a private limited liability company, incorporated and domiciled in Malaysia.
- (b) The registered office is situated at:  
  
Upper Penthouse,  
Wisma RKT,  
No. 2, Jalan Raja Abdullah,  
Off Jalan Sultan Ismail,  
50300 Kuala Lumpur
- (c) The financial statements are expressed in Ringgit Malaysia, which is the Company's functional currency.
- (d) The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 20 April 2018.

Company No. 945028-M



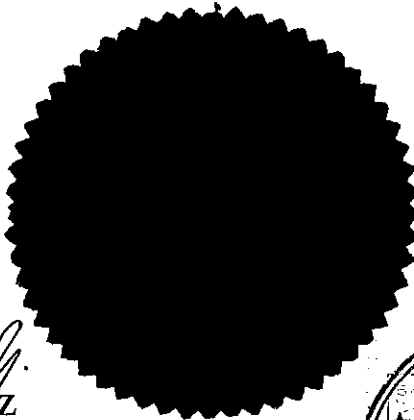
**STATEMENT BY DIRECTORS**

Pursuant to Section 251(2) of the Companies Act 2016

We, the undersigned, being two of the directors of **GENERIC HEALTH SDN. BHD. (945028-M)** do hereby state that, in the opinion of the directors, the financial statements set out on pages 6 to 22 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the state of affairs of the Company as at 31 March 2018 and of the financial results and the cash flows of the Company for the financial year ended on that date.

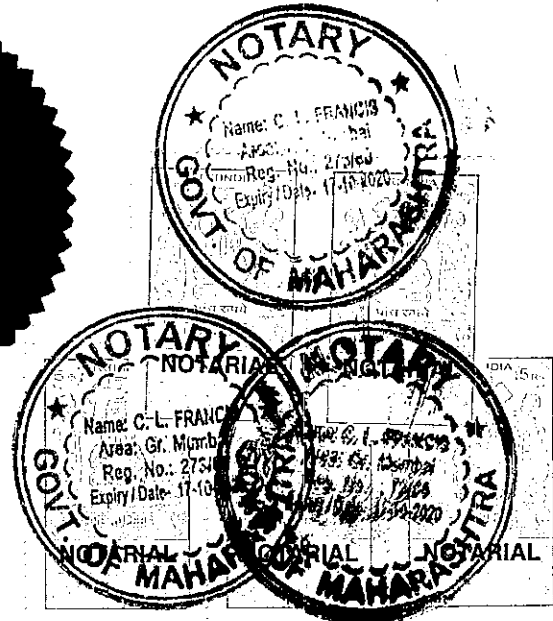
Signed on behalf of the Board of Directors in accordance with resolution of the directors:

  
**SUNIL MAKHARIA**



  
**MENELEO JR. HERNANDEZ**

**20 APR 2018**



**STATUTORY DECLARATION**

Pursuant to Section 251(1) (b) of the Companies Act 2016

I, **SUNIL MAKHARIA**, being the director primarily responsible for the financial management of **GENERIC HEALTH SDN. BHD. (945028-M)** do solemnly and sincerely declare that the financial statements set out on pages 6 to 22 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the India Notary Act 1952.


  
**SUNIL MAKHARIA**

Subscribed and solemnly declared  
by the abovenamed at Mumbai  
on

**20 APR 2018**

Before me

**BEFORE ME**

  
**C. L. FRANCIS. 29/4/18**  
ADVOCATE &  
NOTARY : GREATER MUMBAI.  
B 305, 3rd Floor, Rajkamal Apts;  
Vidyanagari Marg, Vidyanagari P.O;  
Kalina, Mumbai Pincode - 400 098

**20 APR 2018**

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[www.rsmmalaysia.my](http://www.rsmmalaysia.my)**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
GENERIC HEALTH SDN. BHD.****Report on the Audit of the Financial Statements***Opinion*

We have audited the financial statements of Generic Health Sdn. Bhd., 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, as set out on pages 6 to 22.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2018, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

*Basis for Opinion*

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence and Other Ethical Responsibilities*

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GENERIC HEALTH SDN. BHD. (CONTINUED)**

### *Information Other than the Financial Statements and Auditors' Report Thereon*

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company 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 the Directors for the Financial Statements*

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
GENERIC HEALTH SDN. BHD. (CONTINUED)**

*Auditors' Responsibilities for the Audit of the Financial Statements (continued)*

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, 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 of the Company, 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 the directors.
- Conclude on the appropriateness of the directors' 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 auditors' report to the related disclosures in the financial statements of the Company 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 auditors' 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 of the Company, 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
GENERIC HEALTH SDN. BHD. (CONTINUED)**

**Other Matters**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to read 'RSM Malaysia'.

RSM Malaysia  
AF: 0768  
Chartered Accountants

Kuala Lumpur

20 April 2018

A handwritten signature in black ink, appearing to read 'Lou Hoe Ym'.

Lou Hoe Ym  
3120/04/2020J  
Chartered Accountant