Company No.	945028-M

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

REPORT AND FINANCIAL STATEMENTS
31 MARCH 2019

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

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note	2019 RM	2018 RM
CURRENT ASSETS			
Deposit		10,000	10,000
Cash and bank balances		53,525	29,748
TOTAL ASSETS		63,525	39,748
EQUITY			
Share capital	6	401,633	341,144
Accumulated losses		(351,821)	(306,296)
		49,812	34,848
CURRENT LIABILITY			
Other payable and accruals	7	13,713	4,900
TOTAL LIABILITY		13,713	4,900
TOTAL EQUITY AND LIABILITY		63,525	39,748

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 2019

	Note	2019 RM	2018 RM
REVENUE		-	-
ADMINISTRATIVE EXPENSES		(45,525)	(45,275)
LOSS BEFORE TAX	8	(45,525)	(45,275)
TAXATION	9	-	-
TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL YEAR		(45,525)	(45,275)

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 2019

	Share capital RM	Accumulated losses RM	Total RM
As at 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	-	(45,275)	(45,275)
Balance as at 31.3.2018 / 1.4.2019	341,144	(306,296)	34,848
Issue of shares (Note 6)	60,489	-	60,489
Total comprehensive expenses for the financial year ended 31.3.2019	-	(45,525)	(45,525)
Balance as at 31.3.2019	401,633	(351,821)	49,812

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

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	2019 RM	2018 RM
CASH FLOW FROM OPERATING ACTIVITY		
Loss before tax	(45,525)	(45,275)
Increase/(Decrease) in other payable and accruals	8,813	(8,832)
Net cash used in operating activity	(36,712)	(54,107)
CASH FLOW FROM FINANCING ACTIVITY		
Issue of shares	60,489	49,844
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	23,777	(4,263)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	29,748	34,011
CASH AND CASH EQUIVALENTS CARRIED FORWARD	53,525	29,748

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 2019

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 recognise a financial asset or a financial liability (including derivative instruments) in the statement of financial position when, and only when, the Company become a party to the contractual provisions of the instruments.

If a contract is a host financial liability or a non-financial host contract that contains an embedded derivative, the Company assess whether the embedded derivative shall be separated from the host contract on the basis of the economic characteristics and risks of the embedded derivative and the host contract at the date when the Company become a party to the contract. If the embedded derivative is not closely related to the host contract, it is separated from the host contract and accounted for as a stand-alone derivative. The Company does not make a subsequent reassessment of the contract unless there is a change in the terms of the contract that significantly modifies the expected cash flows or when there is a reclassification of a financial liability out of the fair value through profit or loss category. Embedded derivatives in host financial assets are not separated.

On initial recognition, all financial assets and financial liabilities (including intra-group payables) are measured at fair value plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

(ii) Derecognition of financial instruments

For derecognition purposes, the Company first determine whether a financial asset or a financial liability should be derecognised in its entirety as a single item or derecognised in its entirely as a single item or derecognised part-by-part of a single item or of a group of similar items.

A financial assets, whether as a single item or as a part, is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Company transfer the contractual rights to receive cash flows of the financial asset, including circumstances when the Company act only as a collecting agent of the transferee, and retain no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

(ii) Derecognition of financial instruments (continued)

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. For this purpose, the Company consider a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate is different by 10% or more when compared with the carrying amount of the original liability.

(iii) Financial assets

For the purpose of subsequent measurement, the Company classifies financial assets into three measurement categories, namely: (i) financial asset at amortised cost ("AC"); (ii) financial assets at fair value through other comprehensive income ("FVOCI") and (iii) financial assets at fair value through profit or loss ("FVPL"). The classification is based on the Company's business model objective for managing the financial assets and the contractual cash flow characteristics of the financial instruments.

After initial recognition, the Company measure financial assets, as follow:

(i) Financial assets at AC
A financial asset is measured at amortised cost if: (a) it is held within the Company's business objective to hold the asset only to collect contractual cash flows, and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest in principal outstanding.

(ii) Financial assets at FVOCI
A financial asset is measured at FVOCI if: (a) it is held within the Company's business objective to hold the asset both to collect contractual cash flows and selling the financial asset, and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest in principal outstanding.

(iii) Financial asset at FVPL
A financial asset is measured at FVPL if it is an equity investment, held for trading (including derivative assets) or if it does not meet any of the condition specified for the AC or FVOCI model.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note b(vii).

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

(iv) Financial liabilities

After initial recognition, the Company measure all financial liabilities at amortised cost using the effective interest method, except for:

(i) Financial liabilities at fair value through profit or loss (including derivatives that are liabilities) are measured at fair value.

(ii) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies. Paragraph 3.2.15 and 3.2.17 of MFRS 9 apply to the measurement of such financial liabilities.

(iii) Financial guarantee contracts issued, and commitments to provide loans at a below-market interest rate given, by the Company are measured at the higher of: (a) the amount of impairment loss determined and (b) the amount initially recognised less, when appropriate, the cumulative of income recognised in accordance with the principles in MFRS 15 *Revenue from Contracts with Customers*.

(v) Fair value measurement

The fair value of a financial asset or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique as described in Note 3(e).

(vi) Recognition of gain and losses

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognised in profit or loss when they arise.

For financial assets mandatorily measured at FVOCI, interest income (calculated using the effective interest rate method), impairment losses, and exchange gains or loss are recognised in profit or loss. All other gains or losses are recognised in other comprehensive income and retained in a fair value reserve. On derecognition of the financial assets, the cumulative gain or loss recognised in OCI is reclassified to profit or loss as a reclassification adjustment.

For financial assets and financial liabilities carried at amortised, interest income and interest expense are recognised in profit or loss using the effective interest method. A gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired, and through the amortisation process of the instrument.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

(vii) Impairment of financial assets

The Company applies the expected credit loss model of MFRS 9 to recognise impairment losses of financial assets measured at amortised cost or at fair value through other comprehensive income. Except for trade receivables, a 12-month expected credit loss is recognised in profit or loss on the date of origination or purchase of the financial assets. At the end of each reporting period, the Company assess whether there has been a significant increase in credit risk of a financial asset since its initial recognition or at the end of the prior period. Other than for financial assets which are considered to be of low risk grade, a lifetime expected credit loss is recognised if there has been a significant increase in credit risk since initial recognition. For trade receivables, the Company has availed the exception to the 12-month ECL requirement to recognise only lifetime expected credit losses.

The assessment of whether credit risk has increased significantly is based on quantitative and qualitative information that include financial evaluation of the creditworthiness of the debtors or issuers of the instruments, ageing of receivables, defaults and past due amounts, past experiences with the debtors, current conditions and reasonable forecast of future economic conditions. For operational simplifications: (a) a 12-month expected credit loss is maintained for financial assets which investment grades that are considered as low credit risk, irrespective of whether credit risk has increased significantly or not; and (b) credit risk is considered to have increase significantly if payments are more than 30 days past due if no other borrower-specific information is available without undue cost or effort.

The expected credit loss (ECL) is measured using an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, discounted for the time value of money and applying reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecast of future economic conditions. The ECL for a financial asset (when assessed individually) or a group of financial assets (when assessed collectively) is measured at the present value of the probability-weighted expected cash shortfalls over life of the financial asset or group of financial assets. When a financial asset is determined as credit-impaired (based on objective evidence of impairment), the lifetime ECL is determined individually.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial instruments (continued)

(vii) Impairment of financial assets (continued)

For trade receivable, the lifetime ECL is determined at the end of each reporting period using a provision matrix. For each significant receivable, individual lifetime ECL is assessed separately. For significant receivables which are not impaired and for all other receivables, they are grouped into risk classes by type of customers and businesses, and the ageing of the receivables. Collective lifetime ECLs are determined using past loss rates, which are updated for effects of current conditions and reasonable forecasts for future economic conditions. In the event that the economic or industry outlook is expected to worsen, the past loss rates are increased to reflect the worsening economic conditions.

(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 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)

4.1 MFRSs, Amendments to MFRSs and Interpretations adopted (continued)

Material impacts of initial application of an accounting standard, an amendment or an interpretation, are disclosed below:

a) MFRS 9 *Financial Instruments (2014)*

For the purpose of subsequent measurement, the Company classifies financial assets into three measurement categories, namely:

(i) financial assets at amortised cost;
(ii) financial assets at fair value through other comprehensive income; and
(iii) financial assets at fair value through profit or loss.

The classification is based on the Company's business model objective for managing the financial assets and the contractual cash flow characteristics of the financial instruments.

After initial recognition, the Company measures financial assets, as follows:

(i) Financial assets at AC
A financial asset is measured at amortised cost if: (a) it is held within the Company's business objective to hold the asset only to collect contractual cash flows, and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest in principal outstanding.

(ii) Financial assets at FVOCI
A financial asset is measured at FVOCI if: (a) it is held within the Company's business objective to hold the asset both to collect contractual cash flows and selling the financial asset, and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest in principal outstanding.

(iii) Financial asset at FVPL
A financial asset is measured at FVPL if it is an equity investment, held for trading (including derivative assets) or if it does not meet any of the condition specified for the AC or FVOCI model.

MFRS 9 also introduces a new impairment methodology for financial assets, lease receivables and contract assets subject to impairment requirements. It uses a single forward-looking expected credit loss model that requires a 12-month expected credit loss be provided on initial recognition of a financial instrument, and if, and only if, there has been a significant deterioration in the credit risk after initial recognition, a lifetime expected credit loss shall be recognised.

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

4.1 MFRSs, Amendments to MFRSs and Interpretations adopted (continued)

a) MFRS 9 *Financial Instruments (2014)* (continued)

The date of initial application of MFRS 9 is 1 January 2018. The effects of the adoption are discussed below:

Changes in measurement categories

	Original measurement category in MFRS 139	**New measurement category in MFRS 9**
Financial Assets		
Deposits	Loans & receivable	Financial assets at AC
Cash and bank balances	Loans & receivable	Financial assets at AC

Reconciliation of carrying amount:

	Amount under MFRS 139	**Effect of transition**	**Amount under MFRS 9**
	RM	**RM**	**RM**
Loans and receivables reclassified as financial assets at AC			
Deposits	10,000	-	10,000
Cash and bank balances	29,748	-	29,748
Total	39,748	-	39,748

Classification basis and reasons

The classifications of loans and receivables under MFRS 139 have been changed to financial assets measured at amortised cost model because MFRS 9 no longer has the former measurement categories. The measurement basis for such instruments at amortised cost effective interest method is retained because the Company's business model objective for such financial assets is to collect contractual cash flows of interest and principal and the instruments have these contractual cash flow characteristics.

For financial liabilities, the Company did not change the measurement categories because the requirements in MFRS 9 are substantially similar to those in the former MFRS 139.

b) Other new and revised MFRSs

The adoption of the other new and revised accounting standards, amendments and interpretations have no significant impact on the financial statements of the Company.

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

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 period 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 for annual periods beginning on or after 1 January 2020

- Amendments to References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 3 *Business Combination – Definition of a Business*
- Amendments to MFRS 101 *Presentation of Financial Statements* and MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*

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*

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

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

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

- From the annual period beginning on 1 April 2019 for those accounting standards, interpretations and amendments that are effective for annual periods beginning on or after 1 January 2018
- From the annual period beginning on 1 April 2020 for those accounting standards, interpretations and amendments that are effective for annual periods beginning on or after 1 January 2019.

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

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

	2019 RM	2018 RM
341,144 (2018: 291,300) ordinary shares each at beginning of financial year	341,144	291,300
60,489 (2018: 49,844) ordinary shares issued during the financial year	60,489	49,844
401,633 (2018: 341,144) ordinary shares at end of financial year	401,633	341,144

During the financial year, the issued and paid up share capital of the Company was increased from RM341,144 to RM401,633 by way of an issue of 60,489 ordinary shares by capitalising the amounts due to immediate holding company amounted to RM60,489.

7. OTHER PAYABLE AND ACCRUALS

	2019 RM	2018 RM
Other payable	8,813	-
Accruals	4,900	4,900
	13,713	4,900

8. LOSS BEFORE TAX

Loss before tax is stated after charging:-

	2019 RM	2018 RM
Audit fee	4,500	4,500

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. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents, short term receivables and payables approximate fair value due to the relatively short term nature of these financial instruments.

Fair value hierarchy

Fair value hierarchy has not been presented as there are no financial instruments carried at fair values as at the end of the reporting period.

12. 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.

13. 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 **2 May 2019**.

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RSM Malaysia (AF:0768)

5th Floor, Penthouse, Wisma RKT,
Block A, No.2, Jalan Raja Abdullah,
Off Jalan Sultan Ismail,
50300 Kuala Lumpur, Malaysia.

T +603 2610 2888
F +603 2698 6600

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 2019, 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 23.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2019, 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.

RSM

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.

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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.

Company No.	945028-M

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.

RSM Malaysia
AF: 0768
Chartered Accountants

Lou Hoe Yin
03120/04/2020 J
Chartered Accountant

Kuala Lumpur

0 2 MAY 2019