

ARROW PHARMA PTE.LTD.
(Incorporated in the Republic of Singapore)
(Reg. no.201531436N)

AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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**DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

The directors are pleased to present their statement to the member together with the audited financial statements of Arrow Pharma Pte. Ltd. (the "Company") for the financial year ended 31 March 2022.

Opinion of the directors

In our opinion,

- (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 2022 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and
- (b) at the date of this statement, having regard to the financial support from the immediate holding company as mentioned in note 2.1 to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Tirucheraï Parthasarathy Krishnan
Lim Bee Hong

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose 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.

Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, 1967 (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 the directors	Direct interest		Deemed interest	
	Number of shares		Number of shares	
	At the beginning of financial year	At the end of the financial year	At the beginning of the financial year	At the end of financial year
<u>Ordinary shares of</u>				
<u>Subsidiary PHP 100 each</u>				
<u>Common Shares of Arrow</u>				
<u>Pharma Life Inc., Philippines</u>				
Tirucheraï Parthasarathy Krishnan (As nominee on behalf of the Company)	1	-	-	-

ARROW PHARMA PTE. LTD.
(Incorporated in the Republic of Singapore)

**DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

Share options

There were no share options granted during the financial year to subscribe for 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.


Auditor

MGI N Rajan Associates has expressed its willingness to accept re-appointment as auditor.

The Board of Directors,



Tirucherali Parthasarathy Krishnan
Director



Lim Bee Hong
Director

Date: 28 SEP 2022



MGI N RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS SINGAPORE

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF ARROW PHARMA PTE. LTD. FOR
FINANCIAL YEAR ENDED 31 MARCH 2022**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Arrow Pharma Pte. Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the 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, 1967 ("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 2022 and of the financial performance, changes in equity and cash flows of the Company for the 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 2 to 3].

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

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

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

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G. Natarajan, P.S. Somasekharan, D. Govindaraj

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Each member firm undertakes no responsibility for the activities, work, opinions or service of the other member firms.

INDEPENDENT AUDITOR'S REPORT (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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 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.

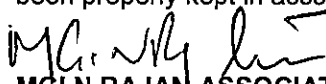
As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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.

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.


M. G. N. RAJAN ASSOCIATES
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS
SINGAPORE
DATE **28 SEP 2022**

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 US\$	2021 US\$
ASSETS			
Non-current assets			
Investment in subsidiaries	7	-	-
Current assets			
Cash and cash equivalents	8	8,066	3,120
Other receivables	9	1,366	894
Total assets		9,432	4,014
Current liabilities			
Other payables	11	10,565	4,861
Amount due to related parties	10	-	1,104,406
Total liabilities		10,565	1,109,267
NET (LIABILITIES)		(1,133)	(1,105,253)
EQUITY			
Share capital	12	1,961,985	844,533
Accumulated (losses)		(1,963,118)	(1,949,786)
TOTAL EQUITY		(1,133)	(1,105,253)

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

ARROW PHARMA PTE. LTD.
(Incorporated in the Republic of Singapore)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

	Note	2022 US\$	2021 US\$
Revenue		-	-
Other income	4	5,411	-
		<u>5,411</u>	-
Expenses			
Other operating expenses		(18,743)	(38,713)
(Loss) before tax	5	<u>(13,332)</u>	<u>(38,713)</u>
Tax expense	6	-	-
(Loss) for the year, representing total comprehensive income for the year		<u>(13,332)</u>	<u>(38,713)</u>

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

ARROW PHARMA PTE. LTD.
(Incorporated in the Republic of Singapore)

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

	Share capital	Accumulated (losses)	Total
	US\$	US\$	US\$
Balance as at 31 March 2020	844,533	(1,911,073)	(1,066,540)
Total comprehensive (loss) for the year	-	(38,713)	(38,713)
Balance as at 31 March 2021	844,533	(1,949,786)	(1,105,253)
Issue of shares during the year	1,117,452	-	1,117,452
Total comprehensive (loss) for the year	-	(13,332)	(13,332)
Balance as at 31 March 2022	1,961,985	(1,963,118)	(1,133)

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

ARROW PHARMA PTE. LTD.
(Incorporated in the Republic of Singapore)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 US\$	2021 US\$
Cash flows from operating activities			
(Loss) for the year before tax		(13,332)	(38,713)
Adjustment for:			
Gain on disposal of subsidiary		(507)	-
Exchange Gain		(4923)	
Impairment provision on Amount due from subsidiary		-	12,262
Operating (loss) before working capital changes		(18,762)	(26,451)
Changes in working capital			
Other receivables		25	(34)
Other payables		5,704	(2,846)
Net cash flows generated from/(used in) operating activities		(13,033)	(29,331)
Cash flows from financing activities			
Share application money received		-	31,021
Issue of shares		17969	-
Amount due to related parties		-	(4,092)
Proceeds from sale of subsidiary		10	
Net cash flows (used in)/from financing activities		17,979	26,929
Net changes in cash and cash equivalents		4,946	(2,402)
Cash and cash equivalents at beginning of the year		3,120	5,522
Cash and cash equivalents at end of the year	8	8,066	3,120

(The annexed notes form an integral part of and should be read in conjunction with these financial statements.)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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

1. GENERAL INFORMATION

Arrow Pharma Pte.Ltd.(the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 3 Tuas South Avenue 4, Singapore 637610.

The principal activities of the Company are that of distribution and supply of pharmaceutical products and ancillary activities. However the Company remained dormant during the financial year.

The Company's immediate holding company is Strides Pharma Asia Pte. Ltd., which is incorporated in Singapore.

The Ultimate holding company is Strides Pharma Science Limited, which is incorporated in India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The financial statements are presented in United States Dollars (US\$), which is the Company's functional currency.

Going concern

The Company incurred a net loss of 13,332 (2021:US\$ 38,713) for the financial year ended 31 March 2022 and, as of that date, the Company's total liabilities exceeded its total assets by US\$ 1,133 (2021: US\$ 1,105,253).

These factors indicate that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern. However the financial statements have been prepared on going concern basis based on the assurance from the immediate holding company's unconditional financial support for at least 12 months from the date of this report date.

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

These factors indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as going concerns. The directors are of the view that it is appropriate to prepare the Company's financial statements on a going concern basis as the holding company has agreed to provide financial support for the next twelve months from the date of the financial statements to enable the Company to meet its financial obligations as and when they fall due

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of new and revised standards (cont'd)

If the Company is unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. No such adjustments have been made to these financial statements.

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendment to FRS 16 Property, Plant and equipment	1 January 2022
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined
Amendments to FRS 37 Provisions, Contingent liabilities and Contingent Assets: Onerous Contracts-Cost of Fulfilling a Contract	1 January 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current and Non-current	1 January 2023
Annual Improvements to FRSs 2018-2020	1 January 2022

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application

2.4 Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets are minimized when, and only when the entity becomes party to the contractual provisions of the instruments. At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, FVOCI and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognized in profit or loss when the assets are derecognized or impaired, and through the amortisation process.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognized in profit or loss.

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, where applicable, any cumulative gain or loss that has been recognised in other comprehensive income) is recognised in profit or loss.

Financial liabilities

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 liabilities 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.

Subsequent measurement

After 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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial liabilities (cont'd)

De recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.5 Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward- looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 Taxes

a) 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 reporting 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Taxes

b) Deferred tax

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the 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 reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right 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.

2.7 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 are 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.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank is subject to an insignificant risk of changes in value.

2.9 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.10 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Related party

A Party is considered to be related to the Company if:

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

2.12 Subsidiaries

Subsidiaries are 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 involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

These financial statements are the separate financial statements of the Company. The Company is exempted from the requirement to prepare consolidated financial statements as the Company is a subsidiary of Strides Pharma Science Limited, a company incorporated in India which prepares consolidated financial statements available for public use that comply with FRSs. Website of ultimate holding company "www.strides.com" where those consolidated financial statements can be obtained.

2.13 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Impairment of non-financial assets (cont'd)

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 considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable 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 is recognised in profit or loss.

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

(a) Determination of functional currency

In determining the functional currency of the Company, judgement is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

4. OTHER INCOME

	2022 US\$	2021 US\$
Exchange gain	4,904	-
Gain on sale of subsidiary	507	-
	5,411	-

5. (LOSS) BEFORE TAX

(Loss) has been arrived after charging the following:

	2022 US\$	2021 US\$
Legal fees	-	5,000
Professional fees	7,501	6,424
Exchange loss	-	13,748
Impairment loss on amount due from subsidiary	-	12,262

6. TAX EXPENSE

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on Company's (loss) as a result of the following:

	2022 US\$	2021 US\$
(Loss) before tax	(13,332)	(38,713)
Tax at statutory rate 17%	(2,266)	(6,581)
Tax effect on disallowable expenses	2,266	6,581
Income tax expense recognised in profit or loss	-	-

7. INVESTMENT IN SUBSIDIARIES

	2022 US\$	2021 US\$
Unquoted shares at cost	-	555,000
Less: Provision for impairment	-	(555,000)
	-	-

Particulars of the subsidiaries are as follows:

Subsidiary	Principal activities	Country of incorporation	Effective % of equity held 2022 & 2021 %	Cost of investment 2022 & 2021 US\$
*Arrow Pharma Life Inc	Trading in generic pharmaceutical products.	Philippines	-	-
			(2021: 100%)	(2021: 205,000)
*Arrow Pharma (Pvt) Ltd.		Sri Lanka	-	-
			(2021: 100%)	(2021: 350,000)

* The subsidiaries have been sold during the year and the amount due from them has been written off

NOTE TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

8. CASH AND CASH EQUIVALENTS

	2022	2021
	US\$	US\$
Cash at bank	8,066	3,120
	<u>8,066</u>	<u>3,120</u>

Cash and cash equivalents are denominated in USD

9. OTHER RECEIVABLES

	2022	2021
	US\$	US\$
Prepayments	869	894
Amount receivable for the sale of shares	497	-
	<u>1,366</u>	<u>894</u>

Other receivables denominated as follows:

Singapore Dollars	869	894
SriLankan Rupee	497	-
	<u>1,366</u>	<u>894</u>

10. AMOUNTS DUE TO/ SUBSIDIARIES, RELATED PARTIES

	2022	2021
	US\$	US\$
Amount due to immediate holding company	-	59,906
Amounts due to related companies	-	951,479
Amount due to ultimate holding company	-	60,000
Share application money from immediate holding company	-	33,021
	<u>-</u>	<u>1,104,406</u>
Amount due from subsidiaries	-	12,262
Less: Provision for impairment	-	(12,262)
	<u>-</u>	<u>-</u>

The amounts due to/from holding companies, subsidiaries and related companies are non-trade in nature, unsecured, interest free and are repayable on demand.

Denominated in

United States dollars	-	1,029,071
Australian dollars	-	67,635
Singapore dollars	-	7,700
	<u>-</u>	<u>1,104,406</u>

11. TRADE AND OTHER PAYABLES

	2022	2021
	US\$	US\$
Accruals	4,497	4,861
Trade payables	6,068	-
	<u>10,565</u>	<u>4,861</u>

Trade and other payables are denominated in USD

NOTE TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

12. SHARE CAPITAL

	No. of shares		US\$	US\$
	2022	2021	2022	2021
Issued and fully paid ordinary shares				
At the beginning of the year	1,120,000	1,120,000	844,533	844,533
Issued during the year	1,525,657	-	1,117,452	-
	2,645,657	1,120,000	1,961,985	844,533

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

The ordinary shares are denominated in Singapore dollars and are converted to United States Dollars at historical rates.

13. 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 maximize shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

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 ended 31 March 2022 and 31 March 2021.

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 market risk (including foreign currency risk and interest rate risk).

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.

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

At the end of the reporting period, the Company has no significant concentration of foreign currency risk as majority of its financial assets and financial liabilities are denominated in United States dollars.

The Company also does not have significant transactional currency exposures arising from their transactions denominated in a currency other than the functional currency.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

14. FINANCIAL RISK MANAGEMENT (cont'd)

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate risk as it has no interest bearing financial instruments.

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's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash), the Company minimize credit risk by dealing exclusively with high credit rating counterparties.

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.

For cash and cash equivalents the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Exposure of credit risk

The Company has credit policies and procedures in place to minimize and mitigate its credit risk exposure.

The Company does not have trade and other receivables at year end date.

Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company finances its working capital requirements through funding from its immediate holding company to meet its operational requirements. The Directors are satisfied that the continuing financial supports from holding and related companies will be available for the period of not less than twelve months from the end of the reporting date.

Analysis of financial instruments by remaining contractual maturities

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

14. FINANCIAL RISK MANAGEMENT CONT'D...

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount	2022 Contractual cash flows	One year or less
<u>Financial assets</u>	US\$	US\$	US\$
Cash and cash equivalents	8,066	8,066	8,066
Amount receivable for sale of shares	497	497	497
Total undiscounted financial assets	<u>8,563</u>	<u>8,563</u>	<u>8,563</u>
<u>Financial liabilities</u>			
Trade and other payables	10,565	10,565	10,565
Total undiscounted financial liabilities	<u>10,565</u>	<u>10,565</u>	<u>10,565</u>
Total net undiscounted financial (liabilities)	<u>(2,002)</u>	<u>(2,002)</u>	<u>(2,002)</u>
	Carrying amount	2021 Contractual cash flows	One year or less
<u>Financial assets</u>	US\$	US\$	US\$
Cash and cash equivalents	3,120	3,120	3,120
Total undiscounted financial assets	<u>3,120</u>	<u>3,120</u>	<u>3,120</u>
<u>Financial liabilities</u>			
Trade and other payables	4,861	4,861	4,861
Amount due to related parties and subsidiaries	1,104,406	1,104,406	1,104,406
Total undiscounted financial liabilities	<u>1,109,267</u>	<u>1,109,267</u>	<u>1,109,267</u>
Total net undiscounted financial (liabilities)	<u>(1,106,147)</u>	<u>(1,106,147)</u>	<u>(1,106,147)</u>

15. FAIR VALUES

Assets and liabilities not measured at fair value

Cash and cash equivalents, other receivables, due to related parties and other payables

The carrying amounts of these balances (including non-trade balances with related parties) approximate their fair values due to either the short-term nature of these balances or they are subject to repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

16. FINANCIALS INSTRUMENTS BY CATEGORY

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

	2022	2021
	US\$	US\$
Financial assets at measured at amortised cost		
Cash and cash equivalents (Note 8)	8,066	3,120
Total financial assets measured at amortised cost	<u>8,066</u>	<u>3,120</u>
Financial liabilities measured at amortised cost		
Trade and other payables(Note 11)	10,565	4,861
Amounts due to/from related parties (Note 10)	-	1,104,406
Total financial liabilities measured at amortised cost	<u>10,565</u>	<u>1,109,267</u>

17. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	2022	2021
	US\$	US\$
Payments made to subsidiary (net)	(8,229)	(23,101)
Payment made to related company	-	(1,852)
Payment received from related party	60,000	
Amount due to related party transferred to immediate holding company	1,008,525	-
Payment made to ultimate holding company	(60,000)	
Funds received from immediate holding company	2000	-
Expenses paid by the holding company	-	606
Expenses paid by related companies	1,969	6,852
Share application money received from immediate holding company	14000	31,021
Impairment provision on due from subsidiary	-	12,262
Allotment of shares to immediate holding company	1,117,452	-

18. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements of the Company for the financial year ended 31 March 2022 were authorised for issue in accordance with a resolution of the director on the date of the Directors' Statement.

ARROW PHARMA PTE. LTD.
(Incorporated in the Republic of Singapore)

(This does not form part of the audited financial statements)

DETAILED PROFIT AND LOSS ACCOUNT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	2022	2021
	US\$	US\$
Revenue	-	-
Other income		
Exchange Gain	4,904	-
Gain on sale of shares in Subsidiary	507	-
	<u>5,411</u>	<u>-</u>
Operating expenses		
Bank Charges	790	957
Audit fees	3,141	2,974
Exchange loss	-	13,748
Legal fees	-	5,000
Membership fees	321	322
Printing & stationery	252	-
Professional charges	4,360	3,450
Rates & Taxes	1,650	-
Bad Debts	8,229	-
Provision for impairment	-	12,262
Total expenses	<u>18,743</u>	<u>38,713</u>
(Loss) for the year	<u>(13,332)</u>	<u>(38,713)</u>