EDUARDO S. HERRERA
Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and the Board of Directors
ARROW PHARMA LIFE INC.
Unit 1010 Antel Global Corporate Ctr.
No. 3 Dona Julia Vargas Ave., Ortigas Center,
San Antonio, Pasig City

Opinion

I have audited the financial statements of **ARROW PHARMA LIFE INC.** which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **ARROW PHARMA LIFE INC.** as at December 31, 2020 and 2019, and of its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards for Small and Medium-Sized Entities (PFRS for SMEs).

Basis for Opinion

I conducted my audits in accordance with Philippine Standards on Auditing (PSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS for SMEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs 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 PSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my opinion. The risk of not detecting a material

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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 I conclude that a material uncertainty exists, I am required to draw attention in auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on Other Legal and Regulatory Requirements

My audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties and license fees in the Notes to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of management. The information has been subjected to the auditing procedures applied in my audit of the basic financial statements. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as whole.

EDUARDO S. HERRERA
T.I.N. 100-364-615
C.P.A. Certificate No. 85498
B.O.A. Accreditation No. 2671, issued on October 19, 2018, valid until December 3, 2021
B.I.R. Accreditation No. AN:09-007145-001-2021, issued on Jan. 5, 2021, valid until Jan. 4, 2024
S.E.C. Accreditation No. 1716-A, issued on November 6, 2018, valid until November 5, 2021
P.T.R. No. 1602864, issued on January 4, 2021, valid until December 31, 2021

March 29, 2021
Imus, Cavite, Philippines

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SUPPLEMENTAL WRITTEN STATEMENT OF AUDITOR

"To The Shareholders and the Board of Directors
ARROW PHARMA LIFE INC.
Unit 1010 Antel Global Corporate Ctr.
No. 3 Dona Julia Vargas Ave., Ortigas Center,
San Antonio, Pasig City

I have examined the financial statements of **ARROW PHARMA LIFE INC.** for the year ended December 31, 2020, on which I have rendered the attached report dated March 29, 2021.

In compliance with SRC Rule 68, I am stating that the said company has six (6) shareholders owning one hundred (100) or more shares.

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March 29, 2021
Imus, Cavite, Philippines

Note 1- Corporation Information

ARROW PHARMA LIFE, INC (referred to as the "Company") was organized under the laws of the Republic of the Philippines and registered with the Securities and Exchange Commission per Registration **No. CS201604710** dated March 9, 2016**.** The Company's primary purpose is to provide is to engage in and carry on the business of marketing and distribution of pharmaceutical products and such other related pharmaceutical preparations for human consumption in the Philippines; procuring, trading, exporting and importing of pharmaceutical products and related goods, providing pharma relate technical, allied and other services; and all activities incidental to any of such purpose.

ARROW PHARMA LIFE, INC is registered at BIR with TIN # 009-244-173 and was issued by the BIR on March 9, 2016.

Status of Operation

Last March 2017 Arrow Pharma Life, Inc. had ceased to operate here in the Philippines.

The company's registered address and place of business is located at Unit 1010, Antel Global Corporate Centre, Julia Vargas Avenue, Ortigas Central Business District, Pasig City.

Authorization for issuance of Financial Statements

The Company's financial statements as of December 31, 2020 were approved and authorized for issue by the Company's Board of Directors on April 15, 2021.

Note 2- Summary of Accounting Principles

2.1 Basis of Preparation

The Company's financial statements have been prepared on fair value measurement and are presented in Philippine Pesos, which is the Company's functional and presentation currency. All values represent absolute amounts except when otherwise indicated.

2.2 Statement of compliance

The accompanying financial statements have been prepared in accordance with Philippine Financial Reporting Standards for Small and Medium-Sized Entities (PFRS for SME's).

2.3 Accounting Policies Adopted

The following accounting standards and amendments and interpretations to existing standards that have been published by the International Accounting Standards Board (IASB) and adopted by the FRSC which became effective for accounting periods beginning on or after January 01, 2011 were adopted by the Company:

Section 1:	Small and Medium-sized Entities
Section 2:	Concepts and Pervasive Principles
Section 3:	Financial Statement Presentation
Section 4:	Statement of Financial Position
Section 5:	Statement of Comprehensive Income and Income Statement
Section 6:	Statement of Changes in Equity and Statement of Income and Retained Earnings
Section 7:	Statement of Cash Flows
Section 8:	Notes to the Financial Statements
Section 10:	Accounting Policies, Estimates and Errors
Section 11:	Basic Financial Instruments
Section 16:	Investment Property
Section 17:	Property, Plant and Equipment
Section 20:	Leases
Section 21:	Provisions and Contingencies
Section 22:	Liabilities and Equity
Section 23	Revenue
Section 25	Borrowing Costs
Section 27	Impairment of Assets
Section 28	Employee Benefits
Section 32	Events after the End of Accounting Period
Section 33	Related Party Disclosures

The effects of these new standard, amendments and interpretations on the Company's accounting policies and on the amounts disclosed in the financial statements are summarized as follows.

Section 1, "Small and medium Sized Entities", IFRS for SMEs is intended for Non Publicly Accountable Entities that publish general purpose financial statements for external users.

Section 2, "Concepts and Pervasive Principles" described the objective of financial statements of small and medium –sized entities (SMEs) and the qualities that make the information in the financial statements of SMES useful. It also sets out the concepts and basic principles underlying the financial statements of SMEs.

Section 3, "Financial Statement Presentation" provides framework within which an entity assesses how to present fairly the effects of transactions and other events. It requires that an entity shall make an explicit and unreserved statement of compliance with IFRS for SMEs in the notes, complete sets of financial statements must be presented at least annually and at least one year comparative financial statements and note data, and items should be consistently presented and classified from one period to the next.

Section 4, "Statement of Financial Position" provides specific requirements on presentation, classification and related disclosures of entity's assets, liabilities and equity as of a specific date.

Section 5, "Statement of Comprehensive Income and Income Statement", provides specific requirements on the presentation, classification, and related disclosures of entity's total comprehensive income, its financial performance for the period in one or two financial statements.

Section 6, "Statement of Changes in Equity and Statement of Income and Retained Earnings", sets out requirements for presenting the changes in an entity's equity for a period, either in a statement of changes in equity, or if specified conditions are met and an entity chooses, in statement of income and retained earnings the cost of inventories are no longer acceptable.

Section 7, "Statements of Cash Flows', requires the provision of information about the historical changes in cash and cash equivalents of an entity by means of cash flow statement which classifies cash flows during the period from operating, investing and financing activities.

Section 8, "Notes to Financial Statements", sets out the principles underlying information that is to be presented in the notes to the financial statements and how to present it. Notes containing information in addition to the presented in the statement of financial position, statement of comprehensive income, income statement (if presented) combined statement of income and retained earnings (if presented), statement of changes in equity, and statement of cash flows, Notes provided narrative descriptions of desegregations of items presented in those statements and information about items that do not qualify for recognition in those statements. In addition to the requirements of this section, nearly other section of this IFRS requires disclosures that are normally presented in the notes.

Section 10, "Accounting Policies, Estimates and Errors," eliminates the concept of fundamental error and the allowed alternative to retrospective application of voluntary changes in accounting policies and retrospective restatement to correct prior period errors. The section defines material omissions and misstatements and describes how to apply the concept of materiality when applying accounting policies and correcting errors.

Section 11, "Basic Financial Instruments", applies to basic financial instruments and is relevant to all entities. An entity shall recognize a financial asset or a financial liability only when the entity becomes a party to the contractual provisions of the instrument. When a financial asset or financial liability is recognized initially, an entity shall measure it at the transaction price unless the arrangement constitutes, in effect, a financing transaction.

Section 17, "Property and Equipment", prescribe the accounting treatment and related disclosures for property and equipment, investment property, and non-current assets held for sale whose fair value cannot be measured reliably without undue cost and effort. It provides guidance on initial and subsequent recognition as well as measurement after recognition. It requires depreciation for each significant part of an item of property, plant and equipment. The standard also provides guidance on determination of the carrying amount of the assets, the residual value, depreciation period and derecognizing principles to be observed.

Section 20, “Leases”, prescribes the lease payments under operating leases shall be recognized as income/ expense on a straight-line basis unless another basis is more representative of the timing of the benefits obtained by the user of the asset or the payments are structured to increase in line with expected general inflation.

Section 21 ”Provisions and Contingencies”, ensures that appropriate recognition criteria and measurement basis are applied to provisions, contingent liabilities and contingent assets and that sufficient information is disclosed in the notes to financial statements to enable users understand their nature, timing and amount.

Section 22 :Liabilities and Equity” establishes principles for classifying financial instruments as either liabilities or equity and addresses accounting for equity instruments issued to individuals or other parties acting in their capacity as investors in equity instruments (i.e., in their capacity as shareholders/owners).

Section 23 “Revenue” prescribes the accounting treatment of revenue arising from certain types of transactions and events. The primary issue in accounting for revenue is determining when to recognize revenue. Revenue is recognized when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably. This section identifies the circumstances in which these criteria will be met and, therefore, revenue will be recognized. It also provides practical guidance on the application of these criteria. An entity shall measure revenue at the fair value of the consideration received or receivable.

Section 25, “Borrowing Costs”, specifies the accounting for borrowing costs. Borrowing cost are interest and other costs that an entity incurs in connection with the borrowing of funds. An entity shall recognize all borrowing costs as an expense in profit or loss in the period in which they are incurred.

Section 27 “Impairment of Assets”, prescribes the procedures that an entity applies to ensure that its assets are carried at no more than their recoverable amount if its carrying amount exceeds the amount to be recovered through use or sale of the asset. If this is the case, the asset is described to be impaired and the standard requires the entity to recognize an impairment loss. The section also specifies when an entity should reverse an impairment loss previously recognized.

Section 28, “Employee Benefits”, applies to all employee benefits offered by an employer to employees and their dependents and beneficiaries. This standard applies to employee benefits under: (i) formal plans and agreements between and enterprise and its employees, (ii) national, local, industry or multi-employer plans; and informal practices giving rise to a constructive obligation. This standard also identifies the following categories of employee benefits such as short-term employee benefits, post employment benefits, other long-term employee benefits and termination benefits.

Section 29,”Income Tax”, covers amounting for income tax. It requires an entity to recognize the current and future tax consequences of transactions and other events that have been recognized in the financial statements.

Section 32,"Events after the End of the Reporting Period", define events after the end of the reporting period and sets out principles for recognizing, measuring and disclosing such events.

Section 33," Related Party Disclosures", provides additional guidance and clarity in the scope, definitions and the disclosures for related parties. It requires disclosure of the compensation of key management personnel.

The significant accounting policies and practices of the Company are set forth to facilitate the understanding of the financial statements.

Financial Assets

Financial Assets includes cash on hand and in banks and other financial instruments.

Cash is stated at face value. Cash also includes cash in bank is being utilized to fund expenses on a day to day transaction of the Company and cash in bank consist of the current and savings accounts.

Cash equivalents if any, are short-term highly liquid debt instruments that are readily convertible to known amounts of cash without original maturities of three months or less and that are subject to an insignificant risk of change in value.

Trades and Other Receivables

Receivables, if any, are stated at its face value. As of the balance sheet date management estimates that the receivables are fully collectible if any.

Other receivables are stated at their amortized cost less provision for impairment. Provision for impairment is made when there is objective evidence that the Company will not be able to collect the debts. Bad debts are written off when identified.

Other Current Assets

Other Current Assets are stated at their nominal value. This represents creditable Value Added Tax and Withholding Taxes.

Property and Equipment

Property and Equipment are initially measured at cost less any subsequently accumulated depreciation, amortization and impairment losses. The cost of an asset consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures relating to an item of property and equipment that have already been recognized are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditures are recognized as expenses in the period in which those are incurred.

Depreciation is computed on the *straight-line method,* based on the estimated useful lives of the assets.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognized of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of income in the year the item is derecognized.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to accumulated profits. Gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the income statement.

Financial Liabilities

Financial Liabilities include trade and other payables, non-interest bearing borrowings and advances from affiliates.

Financial Liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Trade and Other Payables

Trade and Other Payables are liabilities to pay goods and services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade payables are not interest bearing and are stated at their nominal value.

Trade and Other Payables are measured initially at their fair value and subsequently recognized at amortized costs less settlement payments.

Other Current Liabilities

Other Current Liabilities are accrued liabilities arising from benefits mandated by the government. These are not interest bearing and are stated at their nominal value.

Financial Instruments

Date of Recognition

The Company recognizes a financial asset or a financial liability in the balance sheets when it becomes a party to the contractual provisions of the instrument.

Initial Recognition of Financial Instruments

All financial assets and liabilities are initially recognized at fair value.

Determination of Fair Value

For all financial instruments of listed in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include net present value method, comparison to similar instruments for which market observable prices exist, options pricing models, and other relevant valuation models.

Financial Assets and liabilities are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of the financial assets and liabilities are included in the initial measurement of all financial assets and liabilities, except for financial instruments measured at fair value through profit and loss.

Impairment of Financial Assets

The Company asses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of an asset (an incurred “lost event”) and that the lost event (or events) has an impact on the estimated future cash flows of the financial assets or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Derecognition of Financial Assets and Financial Liabilities

Financial Assets

Financial instruments are recognized in the financial statements when the Company becomes a party to the contractual provisions of the instrument. A financial asset (or, where applicable a part of a financial asset or part of a group of financial asset) is derecognized where:

- The right to receive cash flows from the asset has expired;

- The Company retains the right to receive cash flows from the asset, but has assumed as obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- The Company has transferred its right to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained the risk and rewards of the asset but has transferred the control of the asset.

Financial Liabilities
A Financial Liability is derecognized when obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or terms of existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Offsetting Financial Instruments

Financial Assets and financial liabilities are offset and the net amount reported in the balance sheet, if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the balance sheet.

Impairment of Non-Financial Assets

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

An assets recoverable amount is calculated as the higher of the asset's or cash generating unit's fair value less costs to sell and its value in use or its net selling price and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Impairment losses are recognized in the statement of income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statements of income. Unless the asset is carried at revalued amount. In which case the reversal is treated as revaluation increase. After such reversal, the depreciation charge is adjusted in future periods to allocate the assets revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Share Capital

Share Capital is determined using the nominal value of shares that have been issued and fully paid.

The costs of acquiring Company; own shares are shown as a deduction from equity attributable to the Company's equity holders until the shares are canceled or reissued. When such shares are subsequent sold or reissued, any consideration received, net of directly attributable incremental transactions costs and the related income tax effects, is included in equity attributable to the Company's' equity holders.

Retained Earnings

Retained Earnings include all current and prior period results as disclosed in the statement of income.

Revenue and Cost Recognition

Revenue is recognized when it is probable that economic benefits associated with the transaction will flow to the Company and the amount of revenue can be measured reliably.

When the outcome of a transaction involving rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion of the transaction at the balance sheet date.

- Service Fee-Revenue is recognized when significant risks and rewards of providing services have passed to the buyers/ customers.
- Interest Income- recognized as the interest accrues.

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods or services provided in the normal course of business.

Revenue is recognized when significant risks and rewards of ownership of the goods have been passed to the buyer, which normally upon delivery. Sales returns and sales discounts are deducted from sales to arrive at net sales shown in the statement of income.

Cost and administrative expenses are recognized in the statement of comprehensive income upon utilization of the service or in the date they are incurred. Finance costs are reported on an accrual basis.

Short -Term Benefit

The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Company to its employees includes salaries, wages, social security contributions, short-term compensated absences, bonuses, non-monetary benefits.

Taxation

The tax rate currently payable for the year is Regular Corporate Income Tax (RCIT). Taxable profit differs from net profit as reported in the statements of operations, because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The reconciliation of the Company's liability, if any, for current tax is calculated using the 30% tax rate

Current 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 authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax, if any, is provided using the balance sheet method, on all temporarily differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities, if any, are recognized for all taxable temporary differences, Deferred income tax assets are recognized for all deductible temporary differences and carry forward benefits of unused net operating loss carry over (NOLCO), if any, to the extent that is probable that taxable profit will be available against which the deductible temporary differences and carry forward of NOLCO can be utilized.

The carrying amount of deferred tax assets, if, any, is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at each balance sheet date and are recognized to the extent that it is probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax asset and liabilities, if any, are measured at the tax rates expected in the year when the asset is realized or the liability is settled, based on the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date.

Provisions

Provisions are recognized when the Company has a present obligation (legal of constructive0 as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. When the effect of the time value of money is material, the amount of provision is the represent value of the expenditures expected to be required to settle the obligation. Where the Company expects provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes (1) individual owning, directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the Company; (2) associates; and (3) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual. The key management personnel of the Company and the post-employment benefit plans for the benefit of the Company's employees are also considered to be related parties.

Transactions between related parties are accounted for at arm's length prices or on terms similar to those offered to non-related entities in an economically comparable market.

The key management personnel of the Company and post employment benefit plan for the employees are also considered to be related parties.

Leases

Leases, which do not transfer to Company substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized as expense in the statement of income on a straight-line basis over the lease term. For income tax purposes, deductible operating lease payments are computed based on the terms of the lease agreements.

Events After the Balance Sheet Date

The Company identifies subsequent events as events that occurred after the balance sheet date but before the date when the financial statements were authorized for issue. Any subsequent events that provide additional information about the Company's financial position at the balance sheet date are reflected in the financial statements.

Events that are not adjusting events are disclosed in the notes to the financial statements when material.

Note 3- Management Significant Accounting Judgment and Estimates

The preparation of the accompanying financial statements of the Company in compliance with 'IFRS for Small and Medium-sized Entities' requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluations of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from such estimates.

3.1 Judgments

The preparation of the Company's financial statements in conformity with Financial Reporting Framework (in reference to the International Financial Reporting Standard) requires management to make estimates and assumptions that affect the amounts reported in the Company's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Company's financial statements. Actual results could differ from such estimates, judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.2 Estimates

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

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

The following represents a summary of the significant estimates and judgments and related impact and associated risks in the Company's financial statements.

Estimated allowance for doubtful accounts

The Company maintains allowances for doubtful accounts at a level considered adequate to provide for potential uncollectible receivables. The level of this allowance is evaluated by management on the basis of factors that affect the collectivity of the accounts. These factors include, but are not limited to, the length of the Company's relationship with the customer, the customer's payment behavior and known market factors. The Company reviews the age and status of receivables, and identifies accounts that are to be provided with allowances on a continuous basis.

The amount and timing of recorded expenses for any period would differ if the Company made different judgments or utilized different estimates. An increase in allowance for doubtful accounts would increase the recorded operating expenses and decrease current assets.

Evaluation of asset impairment

The Company assesses the impairment of assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Company considers important which could trigger an impairment review include significant changes in asset usage, significant decline in assets' market value and obsolescence or physical damage of an asset. If such indications are present and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Company is required to make estimates and assumptions that may affect property and equipment.

Estimating useful lives of property and equipment

The Company estimates the useful lives of property, plant and equipment based on the period over which the property and equipment are expected to be available for use. The estimated useful lives of the property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the property, plant and equipment is based on the collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible; however, that future financial performance could be materially affected by changes in the estimates brought about by changes in factors mentioned above.

The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

Depreciation is computed on a straight-line method over the estimated useful lives of the assets as follows:

	Useful Life in Years
Furniture	1-3 years
Fixtures	3-5 years
Equipment	5 years

The foregoing estimated useful lives and depreciation method are reviewed from time to time to ensure that these are consistent with the expected economic benefits of the property and equipment.

Asset impairment

The Company is required to perform an impairment review when certain impairment indicators are present. Purchase accounting requires extensive use of accounting estimates and judgment to allocate the purchase price to the fair market values of the assets and liabilities purchased.

Determining the fair value of property and equipment, investments and intangible assets, which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Company to make estimates and assumptions that can materially affect the financial statements. Any resulting impairment loss could have a material adverse impact on the financial condition and results of operations.

The preparation of the estimated future cash flows involves significant judgment and estimations. While the Company believes that its assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable values and may lead to future additional impairment charges under generally accepted accounting principles in the Philippines.

The Company has adopted the fair value approach in the determining the carrying value of its property and equipment. While the Company has opted to rely on independent appraisers to determine the fair value of its investment properties, such fair value was determined based on recent prices of similar properties, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices. The amounts and timing of recorded changes in fair value for any period would differ if the Company made different judgments and estimates or utilized different basis for determining fair value.

Note 4- Financial Risks Management and Objectives

The main purpose of the Company's principal financial instruments is to fund it's operational and capital expenditures. The Company's risk management is coordinated and in close operation with the Board of Directors, and focuses on actively Company's short to medium term cash flows by minimizing the exposure to financial markets.

The Company's activities expose it to a variety of financial risks: credit risk and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company. The policies for managing specific risks are summarized below.

4.1 Management of Financial Risk

Governance Framework

The Company has established a risk management function with clear terms of reference and with responsibility for developing policies on market, credit, liquidity and operational risk. It also supports the effective implementation of policies.

The policies define the Company's identification of risk and its interpretation, limit structure to ensure the appropriate quality and diversification of assets to the corporate goals and specify reporting requirements.

Capital Management Framework

The company's risk management function has developed and implemented certain minimum stress and scenario tests for identifying the risks to which the Company are exposed, quantifying their impact on the volatility of economic capital. The results of these tests, particularly, the anticipated impact on the realistic balance sheet and revenue account, are reported to the Company's risk management function. The risk management function then considers the aggregate impact of the overall capital requirement revealed by the street testing to assess how much capital is needed to mitigate the risk of insolvency to a selected remote level.

Regulatory Framework

The operation of the Company is also subject to the regulatory requirements of SEC. Such regulations not only prescribe approval and monitoring of activities but also impose certain resrictive provisions.

4.2 Financial Risk

The Company is also exposed to financial risk through its financial assets and financial liabilities. The most important components of this financial risk are credit risk and liquidity risk.

Credit risk

The Company's credit risk is primarily attributable to its accounts receivable. The Company has adopted stringent procedure in extending credit terms to customers and in monitoring its credit risk. Credit risk is the risk that one party to a financial instrument will fail to discharge and obligation and cause the other party to incur a financial loss.

The Company manages the level of credit risk it accepts through comprehensive credit risk policy setting out assessment and determination of what constitutes credit risk for the Company: setting up exposure limits by each counterparty or group of counterparties, geographical and industry segments; guidelines on obtaining collateral and guarantees; reporting of credit risk exposures and breaches to the monitoring authority; monitoring compliance with credit risk policy and review of credit risk policy for pertinence and changing environment.

Receivable balances are being monitored on a regular basis to ensure timely execution of necessary intervention efforts.

As of balance sheet date, there were no significant concentrations of credit risk.

Liquidity Risk

Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial statements. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of contractual obligation; or inability to generate cash inflows as anticipated.

The Company monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Company maintains a level of cash deemed sufficient to finance and to mitigate the effects of fluctuation in cash flows and a balance between continuity of funding and flexibility through the use of short-term debt and advances from related parties.

Market Risk

Market risk is the risk of change in fair value of financial instruments form fluctuation in foreign exchange rates (currency risks), market interest rates (interest rate risk) and market prices (price risk).

Fair Value Interest Rate Risk

The fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate investments and receivables in particular are exposed to such risk.

The Company's interest rate exposure management policy centers on reducing the Company's overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Company's interest-bearing debt obligations with floating interest rate.

Note 5- Cash and Cash Equivalents

Cash in bank earns interest at the prevailing bank interest rates, unrestricted and immediately available for use in current operation.

	2020	2019
Cash on Hand	-	-
Cash in Transit	-	-
Cash in Bank		
Chinabank	633	738
Chinabank (USD)	97,799	356
TOTAL	**98,432**	**1,094**

Note 6 –Trade and Other Receivables

Receivables from holding company	-	951,520
Salary Advance		-
Advance paid to creditors	20,000	
	20,000	**951,520**
Receivables for sale of fixed assets	-	347,988
Less: Provision for doubtful debt	-	(347,988)
TOTAL	**20,000**	**951,520**

Note 7 - Property, plant and Equipment

The Company sold all its properties in 2017 and currently in the process of dissolution due to some conflicts between parties.

Note 8- Trade and other Payables

Sundry Creditors	43,041	30,318
Payable to Related Party	572,051	188,280
TOTAL	**615,093**	**218,598**

Note 9- Related party transactions

Details of Significant related party disclosures are as follows;

A.Nature of Transactions:	**2020**	**2019**
Arrow Pharma Pte Ltd:		
Received against Dossier	1,328,789	1,003,610
Strides Pharma Asia Pte Ltd:		
Short term advances received	-	191,208
B.Related Party Banalnces:		
Arrow Pharma Pte Ltd	(394,434)	951,520
Strides Pharma Asia Pte Ltd	(177,618)	(188,280)

Note 10- Paid up Capital

The company applied and authorized by the Security and Exchange Commission 200,000 shares with par value of 100.00 pesos per share. The Shareholders subscribed 47% of the shares and in the subscribed shares 100% have been paid up.