

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.
(Incorporated in Singapore)

(Company Registration No.: 201131279N)

**DIRECTORS' STATEMENT
AND
AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 MARCH 2019**

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

GENERAL INFORMATION

DIRECTORS

Song Mei Cheng
Sandeep Ahuja
Karuppusamy Ramaswamy

COMPANY SECRETARY

Ang Siew Koon

REGISTERED OFFICE

237 Pandan Loop
#05-03 Westech Building
Singapore 128424

AUDITORS

EVEREST ASSURANCE PAC
7500A Beach Road
#14-302 The Plaza
Singapore 199591

BANKERS

Overseas-Chinese Banking Corporation Ltd

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GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2019

The directors are pleased to present their statement to the members together with the audited financial statements of Global Vantage Innovative Group Pte. Ltd. (the "Company") for the financial year ended 31 March 2019.

1. OPINION OF THE DIRECTORS

In the opinion of the directors:

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2019 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

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

Song Mei Cheng
Sandeep Ahuja
Karuppusamy Ramaswamy

3. 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.

4. DIRECTORS' INTEREST IN SHARES OR DEBENTURES

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the director 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 Director	Holdings registered in the name of the director	
	At the beginning of the financial year	At the end of the financial year
Ordinary shares of the Company -		
Song Mei Cheng	652,249	652,249

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

DIRECTORS' STATEMENT

For the financial year ended 31 March 2019

5. 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.

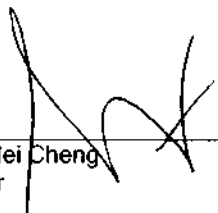
There were no unissued shares of the Company under option at the end of the financial year.

6. AUDITORS


The auditors, Messrs Everest Assurance PAC, Public Accountants and Chartered Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors,

Song Mei Cheng
Director



Sandeep Ahuja
Director



Singapore,
19 JUN 2013

**Independent Auditor's Report
To the Members of Global Vantage Innovative Group Pte. Ltd.**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Global Vantage Innovative Group Pte. Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2019, 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 financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2019 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Company for the financial year ended 31 March 2018 were audited by another firm of auditors who expressed an unmodified opinion on those financial statements on 17 August 2018.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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

In connection with our audit on the financial statement, 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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

The engagement partner on the audit resulting in this independent auditors' report is Patel Anand Rameshchandra.

Singapore
19 June 2019

Everest Assurance PAC

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EVEREST ASSURANCE PAC
Public Accountants and
Chartered Accountants

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

(Expressed in Singapore Dollars)

	Note	2019 \$	2018 \$
ASSETS			
Non-current assets			
Investment in subsidiaries	3	3,071,561	3,071,561
Current assets			
Deposits		1,500	-
Prepaid operating expenses		1,516	-
Amount due from a related company	4	998,033	871,033
Cash at bank	5	20,578	17,574
		<u>1,021,627</u>	<u>888,607</u>
Total assets		<u>4,093,188</u>	<u>3,960,168</u>
EQUITY			
Share capital	6	4,348,325	4,348,325
Accumulated losses		(861,211)	(849,031)
Total equity		<u>3,487,114</u>	<u>3,499,294</u>
LIABILITIES			
Current liabilities			
Accrued operating expenses		3,000	2,800
Amount due to a related company	4	603,074	458,074
		<u>606,074</u>	<u>460,874</u>
Total liabilities		<u>606,074</u>	<u>460,874</u>
Total equity and liabilities		<u>4,093,188</u>	<u>3,960,168</u>

(The accompanying accounting policies and explanatory notes form an integral part of the financial statements)

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 March 2019

(Expressed in Singapore Dollars)

	Note	2019 \$	2018 \$
Revenue		-	-
Administrative expenses		(11,321)	(4,347)
Other expenses		-	(1,000,000)
Profit/(loss) before tax	7	<u>(11,321)</u>	<u>(1,004,347)</u>
Income tax benefit/(expense)	8	<u>(859)</u>	<u>-</u>
Profit/(loss) after tax, representing total comprehensive income/(loss) for the financial year		<u>(12,180)</u>	<u>(1,004,347)</u>

*(The accompanying accounting policies and explanatory notes form
an integral part of the financial statements)*

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2019

(Expressed in Singapore Dollars)

	Share Capital \$	Accumulated losses \$	Total Equity \$
Balance as at 1 April 2017	4,348,325	155,316	4,503,641
Total comprehensive income/(loss) for the financial year	<u>-</u>	<u>(1,004,347)</u>	<u>(1,004,347)</u>
Balance as at 31 March 2018	4,348,325	(849,031)	3,499,294
Total comprehensive income/(loss) for the financial year	<u>-</u>	<u>(12,180)</u>	<u>(12,180)</u>
Balance as at 31 March 2019	<u>4,348,325</u>	<u>(861,211)</u>	<u>3,487,114</u>

(The accompanying accounting policies and explanatory notes form an integral part of the financial statements)

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2019
(Expressed in Singapore Dollars)

	2019	2018
	\$	\$
Cash Flows from Operating activities		
Profit/(loss) before tax	(11,321)	(1,004,347)
<u>Adjustment for:</u>		
Impairment allowance on investment in subsidiaries	-	1,000,000
Operating cash flows before movements in working capital	<u>(11,321)</u>	<u>(4,347)</u>
Movements in Working Capital		
Deposits	(1,500)	-
Prepaid operating expenses	(1,516)	494
Accrued operating expenses	200	(3,040)
Cash (used in)/generated from operations	<u>(14,137)</u>	<u>(6,893)</u>
Income tax paid	(859)	-
Net cash used in operating activities	<u>(14,996)</u>	<u>(6,893)</u>
Cash Flows from Financing activities		
Advances from a related company	145,000	(156,084)
Advances to a related company	(127,000)	140,000
Net cash generated from/(used in) financing activities	<u>18,000</u>	<u>(16,084)</u>
Net increase/(decrease) in cash and cash equivalents	3,004	(22,977)
Cash and cash equivalents at the beginning of financial year	17,574	40,551
Cash and cash equivalents at the end of financial year (Note 5)	<u>20,578</u>	<u>17,574</u>

(The accompanying accounting policies and explanatory notes form an integral part of the financial statements)

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

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

1 THE COMPANY AND ITS PRINCIPAL ACTIVITIES

Global Vantage Innovative Group Pte. Ltd. (the "Company") is incorporated and domiciled in the Republic of Singapore with its registered office and principal place of business at 237 Pandan Loop, #05-03 Westech Building Singapore 128424.

The principal activities of the Company are that of other holding company.

The Company is 85% owned by VLCC Singapore Pte. Ltd. which is its immediate holding company. VLCC Singapore Pte. Ltd. is wholly owned by VLCC International Inc., company incorporated in British Virgin Islands. The ultimate holding company is VLCC Health Care Limited, a company incorporated in India.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements of the Company are presented in Singapore Dollars (S\$), which is also the functional currency of the Company. All financial information presented in Singapore Dollars has been rounded to the nearest dollar, unless otherwise indicated.

In the current financial year, the Company adopted the new and revised FRSs that are applicable in the current financial year. The financial statements have been amended as required, in accordance with the relevant transitional provisions in the respective FRSs.

The adoption of the new and amended standards and interpretation has been further disclosed in Note 2.2 below.

The preparation of financial statements in conformity with FRSs requires the management to exercise their judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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.

2.2 Adoption of new and amended standards and interpretation

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards and Interpretations of FRS ('INT FRS') which are relevant to the Company and are effective for annual financial periods beginning on or after 1 January 2018.

Except for the adoption of FRS 109 Financial Instruments and FRS 115 Revenue from Contracts with Customers described below, the adoption of these standards and interpretations did not have any material effect on the financial performance or financial position of the Company.

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

FRS 109 Financial Instruments

FRS 109 replaces FRS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Company has adopted the new standard retrospectively from 1 April 2018, in line with the transition provision permitted under the standards. Comparatives for financial year ended 2018 are not restated and the Company has recognised any difference between the carrying amounts at 31 March 2018 and 1 April 2018 in the opening accumulated losses. The accounting policies for financial instruments under FRS 109 are disclosed in Note 2.8.

The effects on adoption of FRS 109 are as follows:

(i) Impairment of financial assets -

The Company has the following financial assets subject to the expected credit loss impairment model under FRS 109:

- Cash at bank; and
- Amount due from related companies.

The impairment methodology for each of these classes of financial assets under FRS 109 are different as disclosed in Note 2.8.

FRS 115 Revenue from Contracts with Customers

The Company has adopted the new standard retrospectively from 1 April 2018, in line with the transition provision permitted under the standards. Comparatives for financial year ended 2018 are not restated and the Company has recognised any difference between the carrying amounts at 31 March 2018 and 1 April 2018 in the opening accumulated losses.

1) Revenue recognition criteria (five-step approach)

In line with the application of FRS 115, the Company recognises revenue based on a five-step approach outlined below -

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

The Company identifies distinct goods or services included in contracts with customers and identifies performance obligations by such transaction units.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met -

- (a) The Company's performance obligation does not create an asset with an alternate use to the Company and the Company has as an enforceable right to payment for performance completed to date.
- (b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- (c) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

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
FRS 116 Leases	1 January 2019
INT FRS 123 Uncertainty over Income Tax Treatments	1 January 2019
Amendments to FRS 109 Prepayment Features with Negative Compensation	1 January 2019
Amendments to FRS 28 Long-term Interests in Associates and Joint Ventures	1 January 2019
Annual Improvements to FRSs (March 2018)	1 January 2019

Except for FRS 116, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the year of initial application.

The nature of the impending changes in accounting policy on adoption of FRS 116 are described below.

FRS 116 Leases

FRS 116 eliminates the lessee's classification of leases as either operating leases or finance leases. Applying the new FRS, a lessee is required to recognise the right-of-use (ROU) assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

FRS 116 also requires more extensive disclosures to be provided by a lessor.

The Company plans to adopt FRS 116 when it becomes effective in 2020. The Company will perform a detailed analysis of the standard, including the transition options and practical expedients before the date of mandatory adoption.

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies 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 end of the reporting period. 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 end of the reporting period are recognised in profit or loss.

2.5 Subsidiary

A subsidiary is an entity over which the Company has the power to govern the financial and operating policies so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investment in a subsidiary is stated in the statement of financial position of the Company at cost less any impairment losses. An assessment of investment in a subsidiary is performed when there is indication that the value of the investment has been impaired, or the impairment loss recognised in prior financial years no longer exist.

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

Pursuant to Singapore Financial Reporting Standards 110: Consolidated Financial Statements, the financial statements of the subsidiaries as at 31 March 2019 have not been consolidated with that of the Company as the Company is part of the group that prepare consolidated financial statements available for public use. The financial statements of the Company and its subsidiaries have been consolidated with the holding company's financial statements. The registered office of the holding company is at 237 Pandan Loop, #05-03 Westech Building Singapore 128424.

2.6 Impairment of non-financial assets

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

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

2.7 Cash and cash equivalents

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

2.8 Financial instruments

These accounting policies are applied on and after the initial application date of FRS 109, 1 April 2018:

Financial assets -

The Company classifies its financial assets into the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL)

The classification of debt instruments depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Initial recognition and measurement

Financial assets are recognised when, and only when the Company becomes a party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

Subsequent measurement

Debt instruments -

Debt instruments 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. These financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

The Company's financial assets measured at amortised cost comprise amount due from/to related companies and cash and bank balances in the statement of financial position.

Debt instrument that is held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other income/expense".

Impairment

Debt instruments -

For amount due from related companies and cash and bank balances, the general 3-stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

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.

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

These accounting policies are applied before the initial application date of FRS 109, 1 April 2018:

Financial assets -

Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity, and available-for-sale. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition. The designation of

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

financial assets at fair value through profit or loss is irrevocable. Apart from loans and receivables, the Company has no other financial assets.

Loans and receivables -

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the financial year end date which are presented as non-current assets.

Recognition and derecognition

Financial assets are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in the profit or loss. Any amount in the fair value reserve relating to that asset is transferred to the profit and loss accounts.

Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Impairment

The Company assesses at each financial year end date whether there is objective evidence that a financial asset or a Company of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables -

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in the profit or loss.

Financial liabilities -

Financial liabilities are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

Payables which represent the consideration of the goods and services to be paid in the future, are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

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 recognised as a finance cost.

2.10 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 rate and tax law used to compute the amount are those that are enacted or substantively enacted at the reporting period, in the countries where the Company operates and generates taxable income.

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.

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 by the end of the 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.

2.11 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.

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

2.12 Related party

A related party is defined as follows:

- (i) A person or a close member of that person's family is related to the Company and Company if that person:
 - a) Has control or joint control over the Company;
 - b) Has significant influence over the Company; or
 - c) Is a member of the key management personnel of the Company or Company or of a parent of the Company.
- (ii) An entity is related to the Company if any of the following applies:
 - a) 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);
 - b) 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);
 - c) Both entities are joint ventures of the same third party;
 - d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - e) 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;
 - f) The entity is controlled or jointly controlled by a person identified in (i) above;
 - g) A person identified in (i)a) above has significant influence over the entity or is a member of the key management personnel or the entity (or of a parent of the entity).

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company or Company.

3 INVESTMENT IN SUBSIDIARIES

	2019 \$	2018 \$
Shares, at cost	4,071,561	4,071,561
Impairment allowance	(1,000,000)	(1,000,000)
	<u>3,071,561</u>	<u>3,071,561</u>

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

Details of the subsidiaries as at the reporting date -

Name of subsidiary	Country of incorporation	Principal activities	Effective equity interest (%) held by the Company	
			2019	2018
Held directly by the Company				
Bellewave Cosmetics Pte. Ltd.*	Singapore	Trading in skincare product	100	100
Celblos Dermal Research Centre Pte. Ltd.*	Singapore	Production and trading in skincare product	100	100
Held through Celblos Dermal Research Centre Pte. Ltd.				
Excel Beauty Solution Sdn Bhd**	Malaysia	Dormant	100	100

*Audited by Everest Assurance PAC, Public Accountants and Chartered Accountants.

**Audited by SKL & Co, Chartered Accountants (Malaysia).

4 AMOUNT DUE FROM/TO RELATED COMPANIES

	2019 \$	2018 \$
Amount due from a related company	998,033	871,033
Amount due to a related company	603,074	458,074

Amount due from/to a related company is non-trade in nature, unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Amount due from/to a related company is denominated in Singapore dollars.

5 CASH AT BANK

	2019 \$	2018 \$
Cash at bank	20,578	17,574

Cash at bank balance is denominated in Singapore dollars.

6 SHARE CAPITAL

	2019		2018	
	Number of shares	Amount \$	Number of shares	Amount \$
Issued and fully paid: Ordinary shares	4,348,325	4,348,325	4,348,325	4,348,325

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

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.

7 PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax is derived after charging the following:

	2019 \$	2018 \$
Impairment allowance on investment in subsidiaries	-	1,000,000

8 INCOME TAX BENEFIT/(EXPENSE)

	2019 \$	2018 \$
Current income tax		
- Current year	-	-
- Under provision in respect of prior years	859	-
	<u>859</u>	<u>-</u>

9 CATEGORIES OF FINANCIAL INSTRUMENTS

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

	2019 \$	2018 \$
Financial assets measured at amortised cost		
Amount due from a related company	998,033	871,033
Bank balances	20,578	17,574
Total financial assets measured at amortised cost	<u>1,018,611</u>	<u>888,607</u>
	2019 \$	2018 \$
Financial Liabilities measured at amortised cost		
Accrued operating expenses	3,000	2,800
Amount due to a related company	603,074	458,074
Total financial liabilities measured at amortised cost	<u>606,074</u>	<u>460,874</u>

10 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to minimal financial risks. The Company's cash flows and results are substantially independent of changes in market interest rates and foreign currency rates. The Company has no significant concentrations of credit risk. Bank balances are placed with reputable banks. At the year-end date, there are no financial assets that are either past due and/or impaired.

The management exercises prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flow at all times.

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2019

11 FAIR VALUES

The carrying amounts of the financial assets and liabilities recorded in the financial statements of the Company approximate their fair values due to the relatively short-term maturity of these financial instruments.

12 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to ensure that the Company is adequately capitalised and to maintain an optimal capital structure by issuing or redeeming additional equity and debt instruments when necessary.

The Board of Directors monitors its capital based on net debt and total capital. Net debt is calculated as borrowings plus trade and other payables less cash and bank deposits. Total capital is calculated as equity plus net debt.

	2019 \$	2018 \$
Net debt	585,496	443,300
Total equity	<u>3,487,114</u>	<u>3,499,294</u>
Total capital	<u>4,072,610</u>	<u>3,942,594</u>

13 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2019 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 19 June 2019.

THE FOLLOWING SCHEDULES DO NOT FORM PART OF THE STATUTORY FINANCIAL STATEMENTS

GLOBAL VANTAGE INNOVATIVE GROUP PTE. LTD.

DETAILED STATEMENT OF PROFIT OR LOSS

*For the financial year ended 31 March 2019**(Expressed in Singapore Dollars)*

	2019
	\$
Revenue	-
Less: <u>Administrative expenses</u>	
Audit fees	2,000
Bank charges	631
Fees and subscription	6,520
Printing and stationery	307
Professional expenses	1,363
Tax filling fees	500
	<u>11,321</u>
Loss before tax	(11,321)
Less: Income tax expenses	<u>(859)</u>
Loss for the year	<u>(12,180)</u>
