KPMG

TPG Asia VII SF Pte Ltd
Registration Number: 201724102G

Annual Report
Year ended 31 December 2018

Directors' statement

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2018.

In our opinion:

(a) the financial statements set out on pages FS1 to FS27 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2018 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and

(b) at the date of this statement, having regard to the financial support given by the ultimate holding company, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

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

Woo Tsung Yuan, Francis James
Lee Wei Sheng
Dominic John Picone
Nicholas James Kay
Seow Yung Liang Richard
Zubin Jamshed Irani (Alternate to Lee Wei Sheng)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the Act), no director who held office at the end of the financial year (including those held by their spouses and infant children) had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

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.

Share options

During the financial year, there were:

(i) no options granted by the Company to any person to take up unissued shares in the Company; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Woo Tsung Yuan, Francis James
Director

Lee Wei Sheng
Director

30 June 2019

KPMG

KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Telephone +65 6213 3388
Fax +65 6225 0984
Internet www.kpmg.com.sg

Independent auditors' report

Members of the Company
TPG Asia VII SF Pte Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of TPG Asia VII SF Pte Ltd (the "Company"), which comprise the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages FS1 to FS27.

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 December 2018 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for opinion

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

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

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

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

Responsibilities of management and directors for the financial statements

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

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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 controls.

- Obtain an understanding of internal controls 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 controls.

KPMG

- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, 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 controls that we identify during our audit.

Other matter

The financial statements for the period from 23 August 2017 (date of incorporation) to 31 December 2017 were unaudited as the Company was exempted from an audit under the Act.

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.

kpmg llp

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
30 June 2019

Statement of financial position
As at 31 December 2018

	Note	2018 US$'000	2017 US$'000 (unaudited)
Assets			
Investments at fair value through profit or loss	4	2,038,149	–
Non-current assets		2,038,149	–
Amounts due from related parties	5	39,456	–
Other receivables		387	–
Cash and cash equivalents		3,889	–
Current assets		43,732	–
Total assets		2,081,881	–
Equity			
Share capital	7	*	–
Accumulated profits		84,309	–
Total equity		84,309	–
Liabilities			
Amounts due to related parties	5	32,310	–
Shareholder loans payable	6	1,961,230	–
Other payables		3,757	–
Accrued expenses		275	–
Current liabilities/Total liabilities		1,997,572	–
Total equity and liabilities		2,081,881	–

* Denotes less than $1,000

The accompanying notes form an integral part of these financial statements.

Statement of comprehensive income
Year ended 31 December 2018

	Note	Year ended 31/12/2018 US$'000	Period from 23/08/2017 (date of incorporation) to 31/12/2017 US$'000 (unaudited)
Investment income			
Net gain on financial assets at fair value through profit or loss:			
- Net change in fair value of investments		90,349	–
- Dividend income on equity investments		3,126	–
Net investment income		93,475	–
Operating expenses			
Professional fees		(8,467)	–
Management fees		(275)	–
Other expenses		(424)	–
Total operating expenses		(9,166)	–
Profit before tax		84,309	–
Tax expense	8	–	–
Profit for the year/period/Total comprehensive income for the year/period		84,309	–

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity
Year ended 31 December 2018

	Share capital US$'000 (unaudited)	Accumulated profits US$'000 (unaudited)	Total US$'000 (unaudited)
At 23 August 2017 (date of incorporation)	–	–	–
Total comprehensive income for the period			
Profit for the period	–	–	–
Total comprehensive income for the period	–	–	–
Transactions with owners, recognised directly in equity			
Contributions by and distributions to owners			
Issuance of shares	–	–	–
Total transactions with owners	–	–	–
At 31 December 2017	–	–	–

	Share capital US$'000	Accumulated profits US$'000	Total US$'000
At 1 January 2018	–	–	–
Total comprehensive income for the year			
Profit for the year	–	84,309	84,309
Total comprehensive income for the year	–	84,309	84,309
Transactions with owners, recognised directly in equity			
Contributions by and distributions to owners			
Issuance of shares	–	–	–
Total transactions with owners	–	–	–
At 31 December 2018	–	84,309	84,309

Statement of cash flows
Year ended 31 December 2018

	Note	Year ended 31/12/2018 US$'000	Period from 23/08/2017 (date of incorporation) to31/12/2017 US$'000 (unaudited)
Cash flow from operating activities			
Profit for the year/period		84,309	–
Adjustments for:			
Net gain on financial assets at fair value through profit or loss:			
- Net change in fair value of investments		(90,349)	–
- Dividend income		(3,126)	–
		(9,166)	–
Changes in operating assets and liabilities:			
Other payables		3,757	–
Amounts due from related parties	5	(39,456)	–
Amounts due to related parties	5	32,310	
Other receivables		(387)	–
Accrued expenses		275	–
Net cash used in operating activities		(12,667)	–
Cash flows from investing activities			
Purchase of investments		(1,947,800)	–
Dividend received		3,126	–
Net cash used in investing activities		(1,944,674)	–
Cash flows from financing activities			
Proceeds from loan due to shareholder	6	1,961,230	–
Proceeds from issuance of shares		–	–
Net cash from financing activities		1,961,230	–
Net increase in cash and cash equivalents		3,889	–
Cash and cash equivalents at beginning of the year/period		–	–
Cash and cash equivalents at end of the year/period		3,889	–

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 30 June 2019.

1 Domicile and activities

TPG Asia VII SF Pte Ltd (the "Company") is incorporated in the Republic of Singapore and has its registered office at 80 Raffles Place, #15-01 UOB Plaza 1, Singapore 048624.

The principal activities of the Company are those relating to long term investment holding activities.

The immediate holding company of the company during the financial year is TPG Asia VII Finance, L.P. registered in Prince Edward Island, Canada. The ultimate holding company of the company during the financial year is TPG Asia Genper VII, L.P., registered in Grand Cayman, Cayman Islands.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS").

2.2 Basis of going concern

As at 31 December 2018, current liabilities exceed current assets by US$1,953,840,000 (2017: $Nil). The financial statements have been prepared on the going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the continued support of the Company's ultimate holding company. Management is of the opinion that this support will be forthcoming over the next twelve months and therefore believes that it is appropriate for the financial statements to be prepared on a going concern basis.

2.3 Basis of measurement

The financial statements have been prepared on a historical cost basis, except where otherwise indicated in the accounting policies set out below.

2.4 Functional and presentation currency

The financial statements are presented in United States dollars ("USD" or "US$"), which is the Company's functional currency. All financial information presented in USD have been rounded to the nearest thousands, unless otherwise stated.

2 Basis of preparation (continued)

2.5 Use of estimates and judgements

The preparation of the financial statements in conformity with FRS requires management to make judgements, 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in Note 3.1, Note 3.4, Note 4 and Note 12.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for all significant fair value measurements, including Level 3 fair values, and reports directly to the management.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the valuation team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of FRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Board of Directors.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as described in Note 12.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 12.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to the first period presented in these financial statements.

3.1 Investment entity

The Company is an investment entity and measures its controlled subsidiary investments at fair value through profit or loss. In determining whether the Company meets the definition of an investment entity, management considered the business purpose and structure of the Company as a whole. The Company has been deemed to meet all the essential elements of the definition of an investment entity as it:

- obtains funds for the purpose of providing investors with professional investment management services;
- manages the investment portfolio on a fair value basis; and
- seeks to invest for capital appreciation and investment income.

An investment entity is also expected to typically have the following characteristics:

- holds more than one investment;
- has more than one investor;
- has investors that are not related parties; and
- has ownership interests in the form of equity or similar interests.

Although the Company has only one investor that is a related party, it is part of an umbrella fund structure where there are multiple ultimate investors that are not related parties. As the Company also meets the other aforementioned characteristics, management has deemed that the Company meets the definition of an investment entity. Consequently, management concluded that the Company should not consolidate the subsidiaries which do not provide investment-related services but measure the investments in such subsidiaries at fair value through profit or loss.

3.2 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Foreign currency differences arising on the translation are recognised in profit or loss.

3 Significant accounting policies (continued)

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting year following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt investments at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3 Significant accounting policies (continued)

3.3 Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Non-derivative financial assets (continued)

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

3 Significant accounting policies (continued)

3.3 Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

3 Significant accounting policies (continued)

3.3 Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Non-derivative financial assets: Subsequent measurement and gains and losses (continued)

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprise amounts due to related parties, amounts due to shareholders and accrued expenses.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

3 Significant accounting policies (continued)

3.3 Financial instruments (continued)

(iii) Derecognition (continued)

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

(vi) Derivative financial instruments

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

(vii) Compound financial instruments

Compound financial instruments issued by the Company comprise convertible notes denominated in Singapore dollars that can be converted to ordinary shares at the option of the holder, where the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognised in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

3 Significant accounting policies (continued)

3.3 Financial instruments (continued)

(viii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.4 Impairment

Non-derivative financial assets

The Company recognises loss allowances for ECLs on financial assets measured at amortised costs.

Loss allowances of the Company are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset

General approach

The Company applies the general approach to provide for ECLs on all financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Company considers a financial asset to be in default when the customer is unlikely to pay its contractual obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

3 Significant accounting policies (continued)

3.4 Impairment (continued)

Non-derivative financial assets (continued)

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt investments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

3.5 Finance income and finance costs

The Company's finance income and finance costs include:

- interest income;
- interest expense;
- dividend income;
- the net gain or loss on financial assets at FVTPL;
- the foreign currency gain or loss on financial assets and financial liabilities;

3 Significant accounting policies (continued)

3.5 Finance income and finance costs (continued)

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.6 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

3 Significant accounting policies (continued)

3.6 Tax (continued)

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of multifaceted judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities, such changes to tax liabilities will impact tax expense in the year that such a determination is made.

3.7 New standards and interpretations not adopted

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 January 2018 and earlier application is permitted; however, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

4 Investments at fair value through profit or loss

	2018 US$'000	2017 US$'000 (unaudited)
Investments at fair value through profit or loss		
Equity investments – mandatorily at FVTPL	2,035,731	–
Debt investment – mandatorily at FVTPL	2,418	–
	2,038,149	–

Investments at fair value through profit or loss comprise indirect equity investment in the following entities:

1) Du Xiaoman, financial service business in consumer lending, wealth management, and payment based in Beijing, China;
2) Five Star, A small business finance company based in Chennai, India;
3) Greencross II, Pet Care company based in Australia;
4) Hangzhou Kangji Medical, a domestic manufacture of Medical products based in Hangzhou, China;
5) Jaywalk Media, leading integrated artist management and drama production company based in Beijing, China;
6) Jetanin, fertility specialty center based in Thailand;
7) PAMEL/Apollo, a tower company based in Myanmar;
8) Pathology Asia Holdings, independent pathology service provider based in Singapore;
9) Project Hostel, two hotels based in Beijing, China;
10) RR Kabel, housing wire manufacturer, and low voltage cable manufacturers based in India.
11) Sai Life Sciences, pure-play contract development and manufacturing company based in Hyderabad, India; and

The carrying value of these investments are set out as follows:

Investment	Type	Level	2018 Cost US$'000	2018 Fair value US$'000	2017 Cost US$'000 (unaudited)	2017 Fair value US$'000 (unaudited)
Du Xiaoman	Equity	Level 3	775,000	778,486	–	–
Five Star	Equity	Level 3	59,996	59,996	–	–
Greencross II	Equity	Level 2	18,103	21,800	–	–
Hangzhou Kangji Medical	Equity	Level 3	189,317	244,635	–	–
Jaywalk Media	Equity	Level 3	105,000	105,000	–	–
Jetanin	Equity	Level 3	108,447	133,448	–	–
PAMEL/Apollo	Equity	Level 3	219,481	224,382	–	–
PAMEL/Apollo	Debt	Level 3	2,418	2,418	–	–
Pathology Asia Holdings	Equity	Level 3	195,883	195,883	–	–
Project Hostel	Equity	Level 3	82,135	80,081	–	–
RR Kabel	Equity	Level 3	88,499	88,499	–	–
Sai Life Sciences	Equity	Level 3	103,521	103,521	–	–
			1,947,800	2,038,149	–	–

5 Amounts due from/to related parties

	2018 US$'000	2017 US$'000 (unaudited)
Amounts due from related parties, non-trade	39,456	–
Amounts due to related parties, non-trade	32,310	–

Non-trade amounts due from/to related parties are unsecured, interest-free, and repayable on demand. None of the receivables are past due. There is no allowance for doubtful debts arising from these outstanding balances.

The Company's exposure to credit and currency risks, and impairment losses for amounts due from related parties are disclosed in Note 11.

6 Shareholder loans payable

The shareholder loans payable amounts are unsecured, interest-free and repayable on demand.

Reconciliation of movements in liabilities to cash flows arising from financing activities

	Shareholder loans payable	
	2018 US$'000	2017 US$'000 (unaudited)
At 1 January 2018/23 August 2017 (date of incorporation)	–	–
Changes from financing cash flows		
Proceeds from loans due to shareholders	1,961,230	–
At 31 December	1,961,230	–

7 Share capital

	2018 No. of shares	2017 No. of shares (unaudited)
Fully paid ordinary shares:		
At 1 January 2018/23 August 2017 (date of incorporation)	1	–

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company, unless voting by show of hands is applied according to the Company's Articles of Association.

8 Tax expense

The Company was approved by the Monetary Authority of Singapore for the Tax Exemption Scheme for Resident Funds from 16 November 2017. The tax exemption status will be for the life of the Company, provided the Company continues to meet all conditions and terms set out in MAS circular - FDD Circular 06/2014, and the relevant Income Tax legislations.

9 Related party transactions

Other than those disclosed elsewhere in the financial statements, transactions with related parties are as follows:

	2018 US$'000	Period between 23/08/2017 (date of incorporation) to 31/12/2017 US$'000 (unaudited)
Related parties		
Management fees expense	275	–

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly. Directors of the Company are persons considered as key management personnel. Remuneration fees of key management personnel is borne by related parties and not recharged to the Company.

10 Classification of financial instruments

	At FVTPL US$'000	Amortised cost US$'000	Other financial liabilities US$'000	Total carrying amount US$'000
2018				
Investments at fair value through profit or loss	2,038,149	–	–	2,038,149
Other receivables	–	387	–	387
Amounts due from related parties	–	39,456	–	39,456
Cash and cash equivalents	–	3,889	–	3,889
	2,038,149	43,732	–	2,081,881
Other payables	–	–	3,757	3,757
Amounts due to related parties	–	–	32,310	32,310
Shareholder loans payable	–	–	1,961,230	1,961,230
Accrued expenses	–	–	275	275
	–	–	1,997,572	1,997,572

11 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- foreign currency risk
- interest rate risk
- other market price risk

This note presents information about the Company's objectives, policies and processes for measuring and managing risk, the Company's exposure to each of the above risks, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from its investments.

The Company has no significant concentrations of credit risk and has established policies to minimise such risk.

At the reporting date, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

The Company holds non-trade receivables from related parties. These balances are amounts lent to related parties to satisfy short term funding requirements relating to its underlying investments. Based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections, and available press information, if available, and applying experienced credit judgement), these exposures are considered to have low credit risk. Therefore impairment on these balances has been measured on the 12 month expected credit loss basis; and the amount of the allowance is insignificant.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

There are no financial assets that are past due or impaired, or would otherwise be past due and not impaired as at 31 December 2018 and 31 December 2017 (unaudited).

11 Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows through management of working capital.

The Company's exposure to liquidity risk is set out below.

The following are the contractual maturities of financial liabilities, excluding the impact of netting agreements.

		Cash flows		
	Carrying amount US$'000	**Contractual cash flows US$'000**	**Within 1 year US$'000**	**Between 1 to 5 years US$'000**
2018				
Non-derivative financial liabilities				
Other payables	3,757	3,757	3,757	–
Amounts due to related parties	32,310	32,310	32,310	–
Shareholder loans payable	1,961,230	1,961,230	1,961,230	–
Accrued expenses	275	275	275	–
	1,997,572	1,997,572	1,997,572	–

Foreign currency risk

Foreign currency risk is the risk that arises from the change in price of one currency against another because of changes in foreign currency exchange rates.

The Company invests in assets that are denominated in currencies other than its functional currency, the USD. Consequently, the Company is exposed to risks that the exchange rate of the USD relative to other currencies may change in a manner which has an adverse effect on the reported value of that portion of the Company's assets and liabilities which are denominated in currencies other than the USD.

As deemed necessary, the Company has the ability to enter into hedge agreements to minimise such risk.

The Company's exposure to foreign currency risk is set out below.

	Australian dollar US$'000	**China yuan US$'000**	**Thai baht US$'000**	**Indian rupee US$'000**	**Singapore dollar US$'000**	**Myanmar kyat US$'000**
2018						
Investments at fair value through profit or loss	21,800	1,208,202	133,448	252,016	195,883	226,800
Cash and cash equivalents	–	–	–	–	2	–
	21,800	1,208,202	133,448	252,016	195,885	226,800

11 Financial risk management (continued)

Sensitivity analysis

A strengthening of USD by 5% against the following currencies at 31 December would have decreased profit or loss (before any tax effects) by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Effect on profit/(loss) before tax	
	2018	**2017**
	US$'000	**US$'000 (unaudited)**
Australian dollar	1,090	–
Chinese yuan	60,410	–
Thai baht	6,672	–
Indian rupee	12,601	–
Singapore dollar	9,794	–
Myanmar kyat	11,340	–

A weakening of USD against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore the Company is not subject to significant exposure to interest rate risk.

Other market price risk

Equity price risk is the risk of potential adverse changes to the value of the investment in securities because of changes in market conditions such as volatility in security prices. Debt price risk is the risk of potential adverse changes to the value of the investment in securities because of changes in market conditions such as volatility in interest rates.

At the reporting date, if the share price of Greencross II had been 5% higher/lower with all other variables held constant, the Company's profit before tax would have been US$1,090 higher/lower, arising as a result of an increase/decrease in the fair value of the investment.

The Company's investments are not publicly traded. The sensitivity of changes in fair value arising from alternative inputs is set out in Note 12.

11 Financial risk management (continued)

Capital management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholders' value.

The Company manages its capital structure which comprises all components of equity (i.e., share capital and accumulated profits) and makes alignment to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may align the dividend payment to shareholders, return capital to shareholders or issue new shares.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

12 Fair value of financial instruments

Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Equity securities and debt securities that are designated as financial assets at fair value through profit or loss are stated at their fair value.

Investments in publicly-traded securities are valued at quoted market prices based upon the last sales price on the measurement date. Discounts are applied, where appropriate, to reflect restrictions on the marketability of the investment.

When observable prices are not available for the Company's investments, the company uses the market and income approaches to determine fair value. The market approach consists of utilising observable market data (e.g., current trading and/or acquisition multiples) of comparable companies and applying it to a key financial metric (e.g., EBITDA) of the investee company. The comparability of the identified set of comparable companies to the investee company, among other factors, is considered in the application of the market approach.

The Company, depending on the type of investment or stage of the investee company's lifecycle, may also utilise a discounted cash flow analysis, an income approach, in combination with the market approach in determining fair value of the Company's investments. The income approach involves discounting projected cash flows of the investee company at a rate commensurate with the level of risk associated with those cash flows. Market participant assumptions are used in the determination of the discount rate.

12 Fair value of financial instruments (continued)

Fair values (continued)

In applying valuation techniques used in the determination of fair value, the Company assumes a reasonable period of time for liquidation of the investment, and takes into consideration the financial condition and operating results of the underlying portfolio company, nature of the investment, restrictions on marketability, holding period, market conditions, foreign currency exposures, and other factors the Company deems appropriate. In determining the fair value of the Company's investments, the Company exercises significant judgement and use the best information available as of the measurement date. Due to the inherent uncertainty of valuations, the fair values reflected in the accompanying financial statements may differ materially from values that would have been used had a readily available market for the investments existed.

The carrying amounts of financial assets and financial liabilities with a maturity of less than one year are assumed to approximate their fair values because of the short period to maturity.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes significant instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the financial instrument in its entirety falls is determined based on the lowest level input that is significant to the valuation of the financial instrument in its entirety. Assessing the significance of a particular input to the financial instrument in its entirety requires judgement, and considers factors specific to the financial instrument.

The following table summarises the investments within the valuation hierarchy:

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
2018				
Financial assets at fair value through profit or loss	–	21,800	2,016,349	2,038,149

12 Fair value of financial instruments (continued)

Fair values (continued)

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of fair value hierarchy:

	2018 US$'000	20187 US$'000 (unaudited)
Investments at fair value through profit or loss		
At 1 January 2018/23 August 2017 (date of incorporation)	–	–
Total change in fair value gain or loss included in profit or loss	86,652	–
Purchase of investments	1,929,697	–
At 31 December	2,016,349	–
Total change in fair value gain or loss included in profit or loss related to investments held at the end of the reporting year	86,652	–

Refer to Note 4 for more information on the investments.

Refer to Note 11 – other market price risk for the market price information of the investments.

Significant unobservable inputs used in measuring fair value

The table below sets out information about significant unobservable inputs used at 31 December 2018 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

12 Fair value of financial instruments (continued)

Fair values (continued)

Significant unobservable inputs used in measuring fair value (Continued)

	Fair value US$'000	Valuation technique(s)	Unobservable input(s)	Actual input(s)	Range (weighted average)	Impact to valuation from an increase in input
2018						
Du Xiaoman	778,486	Last Transaction Price	Operating and Market Performance	N/A	N/A	N/A
Five Star	59,996	Last Transaction Price	Operating and Market Performance	N/A	N/A	N/A
Hangzhou Kangji Medical	244,635	Market Comparables	FWD Net Income	25.0x	24.0x-26.0x	Increase
Jaywalk Media	105,000	Last Transaction Price	Operating and Market Performance	N/A	N/A	N/A
Jetanin	133,448	Market Comparables	LTM EBITDA Multiple	20.0x	19.0x-21.0x	Increase
PAMEL / Apollo (Equity)	224,382	Market Comparables	FWD EBITDA Multiple	12.9x	11.9x-13.9x	Increase
PAMEL / Apollo (Debt)	2,418	Last Transaction Price	Operating and Market Performance	N/A	N/A	N/A
Pathology Asia Holdings	195,883	Last Transaction Price	Operating and Market Performance	N/A	N/A	N/A
Project Hostel	80,081	Last Transaction Price	Operating and Market Performance	N/A	N/A	N/A
RR Kabel	88,499	Last Transaction Price	Operating and Market Performance	N/A	N/A	N/A
Sai Life Sciences	103,521	Last Transaction Price	Operating and Market Performance	N/A	N/A	N/A

- EBITDA and Net Income multiples: Represents amounts that market participants would use when pricing investments. EBITDA and Net Income multiples are selected by management based on a relative comparison of the subject company to comparable public companies based on geographical location, industry, size, target markets, marketability and other factors that management considers to be reasonable. The traded multiples for the comparable companies are determined by dividing the enterprise value of the company by its EBITDA or Revenue. The EBITDA and Net Income metrics used in the valuation may be based on last twelve months ("LTM") or forward ("FWD") looking data.

- Latest price: Represents the time since a market transaction of the investment was observed. There are no unobservable inputs since the investment is measured at the latest transaction price. As a result, there are no unobservable inputs that have been internally developed by the Company when determining fair value.

12 Fair value of financial instruments (continued)

Fair values (continued)

Significant unobservable inputs used in measuring fair value (Continued)

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements in Level 3 investments, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on the net assets of the Company.

	Increase/ (decrease) in unobservable inputs	**Favourable/ (unfavourable) impact on profit and loss US$'000**
2018		
Hangzhou Kangji Medical (Equity)		
FWD Net Income	+1.0x	9,779
	-1.0x	(9,779)
Jetanin (Equity)		
LTM EBITDA Multiple	+1.0x	12,553
	-1.0x	(12,553)
PAMEL / Apollo (Equity)		
FWD EBITDA Multiple	+1.0x	29,655
	-1.0x	(29,655)

13 Comparative information

The Company was exempted from audit of financial statements under the Companies Act, Chapter 50 for the period from 23 August 2017 (date of incorporation) to 31 December 2017.