

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

This report is made solely to the members of Claris Pharmservices, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of Claris Pharmservices on pages 4 to 12 which comprise the statement of financial position as at December 31, 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements 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 group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Report on the Financial Statements (Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements on pages 4 to 12 give a true and fair view of the financial position of the company as at December 31, 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with, or interests in, the company, other than in our capacity as auditors, tax and business advisers and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the company as far as it appears from our examination of those records.



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Chartered Certified Accountants
& Registered Auditors



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Quatre Bornes,
Republic of Mauritius.


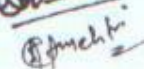
18 MAR 2015

CLARIS PHARMASERVICES

STATEMENT OF FINANCIAL POSITION - DECEMBER 31, 2014

	Notes	December 31 2014 USD	December 31 2013 USD
ASSETS			
Non-Current assets			
Intangible Assets	3	24,874,014	-
Investments	4	4,374,773	-
		<u>29,248,787</u>	<u>-</u>
Current assets			
Other receivables	5	45,444	28,017
Cash at bank	8(b)	35,861	72,283
		<u>81,305</u>	<u>100,300</u>
Total assets		USD <u>29,330,092</u>	<u>100,300</u>
EQUITY AND LIABILITY			
Capital and reserves			
Share capital	6	29,533,039	100,000
Retained earnings		(209,025)	-
Shareholders' interest		<u>29,324,014</u>	<u>100,000</u>
Current liability			
Other payables	7	6,078	300
		<u>6,078</u>	<u>300</u>
Total equity and liability		USD <u>29,330,092</u>	<u>100,300</u>

These financial statements have been approved by the Board of Directors on:

)
) **DIRECTORS**

The notes on pages 8 to 12 form an integral part of these financial statements.
Auditors' report on pages 3 & 3(a).

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STATEMENT OF COMPREHENSIVE INCOME - YEAR ENDED DECEMBER 31, 2014

	<u>Notes</u>	<u>Year ended December 31 2014</u>	<u>Year ended December 31 2013</u>
		USD	USD
Turnover	2(c)	-	-
Cost of sales		-	-
Gross loss		-	-
Other income		17,428	6,986
Administrative expenses		<u>(226,453)</u>	<u>(6,986)</u>
Net comprehensive loss for the year		USD <u><u>(209,025)</u></u>	<u><u>-</u></u>

The notes on pages 8 to 12 form an integral part of these financial statements.
Auditors' report on pages 3 & 3(a).

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STATEMENT OF CHANGES IN EQUITY - DECEMBER 31, 2014

	<u>Share capital</u> USD	<u>Retained earnings</u> USD	<u>Shareholders interest</u> USD
Balance at January 01, 2014	100,000	-	100,000
Net comprehensive income for the year	-	(209,025)	(209,025)
Issue of shares during the year	29,433,039	-	29,433,039
Balance at December 31, 2014	USD 29,533,039	(209,025)	29,324,014

	<u>Share capital</u> USD	<u>Retained earnings</u> USD	<u>Shareholders interest</u> USD
Balance at January 01, 2013	100,000	-	100,000
Net comprehensive income for the year	-	-	-
Balance at December 31, 2013	USD 100,000	-	100,000

The notes on pages 8 to 12 form an integral part of these financial statements.
Auditors' report on pages 3 & 3(a).

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STATEMENT OF CASH FLOWS - YEAR ENDED DECEMBER 31, 2014

	<u>Notes</u>	<u>Year ended December 31 2014</u>	<u>Year ended December 31 2013</u>
		USD	USD
Operating activity			
Net cash absorbed in operating activity	7(a)	<u>(11,649)</u>	<u>(6,985)</u>
Investing activity			
Investment in shares		(29,457,812)	-
Issue of shares		29,433,039	-
Net cash flow from investing activities		<u>(24,773)</u>	<u>-</u>
Financing activity			
Repayment of advance from customer		-	-
Net cash flow from financing activity		<u>-</u>	<u>-</u>
Decrease in cash and cash equivalents		USD <u>(36,422)</u>	<u>(6,985)</u>
Movement in cash and cash equivalents			
At January 01,		72,283	79,268
Decrease		<u>(36,422)</u>	<u>(6,985)</u>
At December 31,	7(b)	USD <u>35,861</u>	<u>72,283</u>

The notes on pages 8 to 12 form an integral part of these financial statements.
Auditors' report on pages 3 & 3(a).

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NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2014

1. COMPANY PROFILE AND ACTIVITY

Claris Pharmservices is a GBL2 Company incorporated on January 26, 2010 and is domiciled in Mauritius. The address of its registered office is 4th Floor, Tower A, 1 Cybercity, Ebene Mauritius.

The primary objective of the company is to engage in investment holding activities in group companies. However, considering the recent developments in the Pharmaceutical Industry, the company has also broadened the scope of objective by diverging into trading, inlicensing and outlicensing in high end Injectable Products.

The company has visioned to gain huge market share through this new business segment. In this respect, the company is under the process of identifying various opportunities by inviting the overseas companies in outsourcing their clinical trials, research and development activity and manufacturing of products in india. The company has gained success in this market while negotiating with players and many of the projects are in the final stage of completion

These financial statements will be submitted for consideration and approval at the forthcoming Directors' Board meeting of the company

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statement are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statement of Claris Pharmservices have been prepared under the historical cost convention and in accordance with Generally Accepted Accounting Principles.

(b) Investment in subsidiaries

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Investment in subsidiary companies is carried at cost. The carrying amount is reduced to recognised any impairment in the value of individual investments.

(c) Income recognition

Income consists of turnover which include Marketing rights as and when it accrues and trading in pharmaceutical products. Other revenues earned by the company are recognised on the following base: Interest income, other income / revenue - as it accrues.

(d) Foreign currencies reporting and translations

The financial statements are presented in US Dollar (USD). The company's holds a GBL 2 licence under the Financial Services Development Act 2001, which requires that the company's business or other activity to be carried on in a currency other than Mauritian rupees. Foreign currency transactions are accounted for at exchange prevailing at the dates of the transactions. Gain and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statements.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**(e) Financial instruments**

Financial assets and financial liabilities are recognised on the company's balance sheet when the company has become a party to the contractual provisions of the instrument.

The company's accounting policies in respect of the main financial instruments are set out below:

(i) Fair value estimation

In assessing the fair value of financial instruments, the company use a variety of methods and make assumptions that are based on market conditions existing at balance sheet date. The values less any estimated credit adjustments for financial assets and financial liabilities with a maturity of less than one year are assumed to approximate their fair values.

(ii) Borrowings

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after balance sheet date.

(iii) Other receivables

Other receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

(iv) Trade payables

Trade payables are stated at their nominal value.

(v) Share capital

Ordinary shares are classified as equity.

(vi) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(f) Related parties

Related parties are individuals and companies who have the ability, directly or indirectly, to control the board or exercise significant influence over it in making financial and operating decisions.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2014

3 Intangible Assets

	<u>Intellectual Property Rights</u>	<u>Total</u>
	USD	USD
COST		
At 1 Jan 2014	-	-
Additions	25,083,039	25,083,039
At 31 Dec 2014	<u>25,083,039</u>	<u>25,083,039</u>
DEPRECIATION		
At 1 Jan 2014	-	-
Charge for the year	209,025	209,025
At 31 Dec 2014	<u>209,025</u>	<u>209,025</u>
NET BOOK VALUE		
At 31 Dec 2014	<u>24,874,014</u>	<u>24,874,014</u>
At 31 Jan 2013	<u>-</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2014

4 INVESTMENTS	<u>2014</u>	<u>2013</u>
	USD	USD
Investment in Subsidiary	<u>4,374,773</u>	<u>-</u>
	Country of Incorporation	Class of Share Held
		Nominal Value of Investment USD
Claris Lifesciences (Aust.) Pty.Ltd.	Australia	ORD
Claris Lifesciences (UK) Ltd.	UK	ORD
Claris lifesciences Inc (US)	US	ORD
		<u>8,809</u>
		<u>15,964</u>
		<u>4,350,000</u>
		<u>4,374,773</u>

On 07th November, 2014, Investment of AUD 10,000 (Equivalent to USD 8,809) has been made in **Claris Lifesciences (Aust.) Pty.Ltd., Australia (Group Company)**, consideration for which was paid in cash. Consequent to which, the Company has become the Subsidiary of Claris Pharmservices.

On 07th November, 2014, Investment of GBP 10,000 (Equivalent to USD 15,964) has been made in **Claris Lifesciences (UK) Ltd., United Kingdom (Group Company)**, consideration for which was paid in cash. Consequent to which, the Company has become the Subsidiary of Claris Pharmservices.

5 OTHER RECEIVABLES	<u>December 31 2014</u>	<u>December 31 2013</u>
Other receivables	<u>45,444</u>	<u>28,017</u>
	USD	USD
	<u>45,444</u>	<u>28,017</u>

The carrying amounts of other receivables approximate their fair value.

6 SHARE CAPITAL	<u>December 31 2014</u>	<u>December 31 2013</u>
	USD	USD
29,533,039 equity shares @ USD 1 each	<u>29,533,039</u>	<u>100,000</u>

29,433,039 fresh Equity shares of USD 1 each has been issued to Catalys Ventures Capital Ltd (CVCL) as a consideration for purchasing -

1. Investment of CVCL in Claris Lifescience Inc., USA for USD 4,350,000, and
2. Intellectual Property Rights consisting of Marketing Authorizations and Trademarks pertaining to Regulate Market at USD 25,083,039.

7 OTHER PAYABLES	<u>December 31 2014</u>	<u>December 31 2013</u>
	USD	USD
Sundry creditors	<u>6,078</u>	<u>300</u>
	USD	USD
	<u>6,078</u>	<u>300</u>

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NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED DECEMBER 31, 2014

8 NOTES TO STATEMENT OF CASH FLOWS

	December 31 2014 USD	December 31 2013 USD
(a) Cash absorbed in operations:		
Reconciliation of profit before tax to cash absorbed in operations:		
Loss/ Profit before tax	(209,025)	-
Adjustment for:		
Amortisation	209,025	-
Changes in working capital:		
-Other receivables	(17,427)	(6,986)
-Other payables	5,778	1
Cash absorbed in operations	USD (11,649)	(6,985)
(b) Cash and cash equivalents		
Cash at bank	USD 35,861	72,283

9. RELATED PARTY TRANSACTIONS

	December 31 2014 USD	December 31 2013 USD
Amount receivable from Parent (Note 5)	45,444	28,017
	45,444	28,017

The above transactions have been made at arm's length, on normal commercial terms and in the normal course of business.

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APPENDIX

ADMINISTRATIVE EXPENSES

	Year ended December 31 2014 USD	Year ended December 31 2013 USD
Audit Fees	795	795
Bank Charges	1,531	190
Consultancy Charges	11,539	4,750
Director fee	3,563	1,250
Penalty on withheld tax	-	1
Depreciation	209,025	-
	<u>226,453</u>	<u>6,986</u>

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