

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

This report is made solely to the members of Claris Sterione, 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 Sterione on pages 4 to 11 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 11 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.

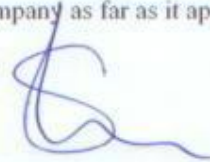
In our opinion, proper accounting records have been kept by the company as far as it appears from our examination of those records.



**BIT ASSOCIATES**  
*Chartered Certified Accountants  
& Registered Auditor*

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Quatre Bornes,  
Republic of Mauritius.



**DWARKA SOOCHIT FCCA, FCMA, CGMA**  
*Licensed by FRC*


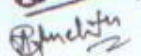
**18 MAR 2015**

## CLARIS STERIONE

## STATEMENT OF FINANCIAL POSITION - DECEMBER 31, 2014

	<u>Notes</u>	<u>December 31 2014 USD</u>	<u>December 31 2013 USD</u>
<b>ASSETS</b>			
<b>Current assets</b>			
Other receivables	3	1,410,000	1,410,000
Cash at bank	7(b)	<u>42,927</u>	<u>54,308</u>
		<u>1,452,927</u>	<u>1,464,308</u>
<b>Total assets</b>		<b>USD <u>1,452,927</u></b>	<b><u>1,464,308</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and deficit</b>			
Share capital	4	100,000	100,000
Deficit		<u>(300)</u>	<u>(300)</u>
Shareholders' interest		<u>99,700</u>	<u>99,700</u>
<b>Current liabilities</b>			
Amount due to related party	5	1,349,526	1,364,308
Other payables	6	<u>3,701</u>	<u>300</u>
		<u>1,353,227</u>	<u>1,364,608</u>
<b>Total equity and liabilities</b>		<b>USD <u>1,452,927</u></b>	<b><u>1,464,308</u></b>

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

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 ) DIRECTORS

The notes on pages 8 to 11 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		14,782	6,719
Administrative expenses		(14,782)	(6,719)
Net comprehensive income for the year		<b>USD -</b>	<b>-</b>

The notes on pages 8 to 11 form an integral part of these financial statements.  
Auditors' report on pages 3 & 3(a).

## STATEMENT OF CHANGES IN EQUITY - DECEMBER 31, 2014

	<u>Share capital</u> USD	<u>Deficit</u> USD	<u>Shareholders interest</u> USD
Balance at January 01, 2014	100,000	(300)	99,700
Net comprehensive income for the year	-	-	-
<b>Balance at December 31, 2014</b>	<b>USD 100,000</b>	<b>(300)</b>	<b>99,700</b>

	<u>Share capital</u> USD	<u>Deficit</u> USD	<u>Shareholders interest</u> USD
Balance at January 01, 2013	100,000	(300)	99,700
Net comprehensive income for the year	-	-	-
<b>Balance at December 31, 2013</b>	<b>USD 100,000</b>	<b>(300)</b>	<b>99,700</b>

The notes on pages 8 to 11 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

4 INVESTMENTS	<u>2014</u>	<u>2013</u>
	USD	USD
Investment in Subsidiary	<u>4,374,773</u>	<u>-</u>
	<b>Country of Incorporation</b>	<b>Class of Share Held</b>
		<b>Nominal Value of Investment USD</b>
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 **Clarif 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 Pharnaservices.

On 07th November, 2014, Investment of GBP 10,000 (Equivalent to USD 15,964) has been made in **Clarif 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 Pharnaservices.

5 OTHER RECEIVABLES	<u>December 31 2014</u>	<u>December 31 2013</u>
Other receivables	<u>45,444</u>	<u>28,017</u>
	<b>USD</b>	<b>USD</b>
	<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 Clarif 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>
	<b>USD</b>	<b>USD</b>
	<u>6,078</u>	<u>300</u>

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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
<b>Operating activity</b>			
Net cash generated from operating activity	7(a)	<u>3,401</u>	<u>20</u>
<b>Investing activity</b>			
Capitalisation of intangible asset		<u>-</u>	<u>-</u>
<b>Financing activity</b>			
Repayment of related party transaction		<u>(14,782)</u>	<u>(6,719)</u>
Net cash flow from financing activity		<u>(14,782)</u>	<u>(6,719)</u>
<b>Decrease in cash and cash equivalents</b>		<b>USD <u>(11,381)</u></b>	<b><u>(6,699)</u></b>
<b>Movement in cash and cash equivalents</b>			
At January 01,		54,308	61,007
Decrease		<u>(11,381)</u>	<u>(6,699)</u>
<b>At December 31,</b>	7(b)	<b>USD <u>42,927</u></b>	<b><u>54,308</u></b>

The notes on pages 8 to 11 form an integral part of these financial statements.  
Auditors' report on pages 3 & 3(a).

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

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**1. COMPANY PROFILE AND ACTIVITY**

Claris Sterione is a GBL2 Company incorporated on December 23, 2009 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 Sterione 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.



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

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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.

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

3. OTHER RECEIVABLES	December 31 2014	December 31 2013
Other receivables - -Claris Lifesciences Ltd	1,410,000	1,410,000
USD	<u>1,410,000</u>	<u>1,410,000</u>

The other receivables includes loans granted to subsidiaries and others which are interest free and repayable on demand.

4. SHARE CAPITAL	Issued and fully paid 2014 & 2013 USD
100,000 equity shares @ USD 1 each	USD <u>100,000</u>

5. AMOUNT DUE TO RELATED PARTY	December 31 2014	December 31 2013
	USD	USD
-Catalys Venture Cap Limited	1,349,526	1,364,308
USD	<u>1,349,526</u>	<u>1,364,308</u>

6. OTHER PAYABLES	December 31 2014	December 31 2013
	USD	USD
Sundry creditors	3,701	300
USD	<u>3,701</u>	<u>300</u>

7. NOTES TO STATEMENT OF CASH FLOWS	December 31 2014	December 31 2013
	USD	USD

## (a) Cash generated from operations:

## Reconciliation of profit before tax to cash generated from operations:

Profit before tax	-	-
Adjustment for:		
Amortisation	-	-
Changes in working capital:		
-Other receivables	-	20
-Other payables	3,401	-
Cash generated from operations	<u>3,401</u>	<u>20</u>
USD	<u>3,401</u>	<u>20</u>

## (b) Cash and cash equivalents

Cash at bank	USD 42,927	54,308
USD	<u>42,927</u>	<u>54,308</u>

## (ii) ADMINISTRATIVE EXPENSES

	Year ended December 31 2014 USD	Year ended December 31 2013 USD
Audit Fees	795	795
Bank Charges	1,330	210
Consultancy Charges	9,094	4,464
Director fee	3,563	1,250
Penalty on withheld tax	-	0.26
Misc Exp	0.28	-
	<u>14,782</u>	<u>6,719</u>

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