Solentus North America Inc.

Financial Statements

March 31, 2016 and March 31, 2015

KNAV Professional Corporation

Chartered Accountants

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Table of contents

Independent Auditor's Report ... 3
Financial Statements ... 5
Balance sheets ... 6
Statements of loss and accumulated deficit ... 7
Statements of cash flow ... 8
Notes to Financial Statements ... 9

Independent Auditor's Report

To the Shareholder
Solentus North America Inc.

We have audited the accompanying financial statements of Solentus North America Inc. ("the Company") which comprise the balance sheets as at March 31, 2016 and March 31, 2015 the related statements of income and accumulated deficit and statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the Canada for private enterprises and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 auditor's judgment, 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 auditor considers internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 present fairly, in all material respects, the financial position of Solentus North America Inc. as at March 31, 2016 and March 31, 2015 and the results of its operations and its cash flows for the years then ended in accordance with Canadian accounting standards for private enterprises.

Emphasis of matter paragraph

Attention is invited to Note 5(b) to the notes regarding the financial statement being prepared on a going concern basis, notwithstanding the fact that the Company's net worth is eroded (Net worth as at March 31, 2016: CAD 332,233). The Company has suspended its operations during the year ended March 31, 2015 and is in process of evaluating alternate business opportunities. These events cast significant doubt on the ability of a company to continue as a going concern. The appropriateness of the said basis is entirely dependent on its parent company Camlin Fine Sciences Limited to provide financial support and honor the company's obligation as they arise. However, our opinion is not modified in this respect.

KNAV Professional Corporation

KNAV Professional Corporation
Chartered Accountants
Licensed Public Accountants
Date: May 18, 2016
Place: Toronto

Financial Statements

Balance sheets

(All amounts in Canadian Dollars, unless otherwise stated)

	Notes		As at March 31, 2016	March 31, 2015
ASSETS				
Current asset				
Cash and cash equivalents	6		18,618	5,963
Other current assets	7		2,183	6,403
Total current assets		$	**20,801**	**12,366**
Non-current assets				
Equipment	8		-	396
Total non-current assets		$	**-**	**396**
Total assets		$	**20,801**	**12,762**
LIABILITIES AND SHAREHOLDER'S DEFICIT				
Current liabilities				
Accounts payable and accrued liabilities	9		69,335	61,918
Other current liabilities	10		25,017	7,705
Loan from parent company	11		258,682	226,924
Total current liabilities		$	**353,034**	**296,547**
Total liabilities		$	**353,034**	**296,547**
Shareholder's deficit				
Share capital	12		98,600	98,600
Accumulated deficit			(430,833)	(382,385)
Total shareholder's deficit		$	**(332,233)**	**(283,785)**
Total liabilities and shareholder's deficit		$	**20,801**	**12,762**

(See accompanying notes to the financial statements)

APPROVED ON BEHALF OF THE BOARD:

Director: [signature] Director:

Statements of loss and accumulated deficit

(All amounts in Canadian Dollars, unless otherwise stated)

	Notes		For the year ended March 31, 2016	March 31, 2015
Revenues				
Sale of goods			-	218,832
Other income			15,967	15,359
		$	**15,967**	**234,191**
Cost and expenses				
Cost of goods sold			-	194,591
Salaries and employee benefits			-	223,804
Selling, distribution and administrative			10,614	34,880
Depreciation	9		396	237
Professional fees			25,405	39,914
Other expenses			7,068	52,977
Total cost and expenses		$	**43,483**	**546,403**
Finance cost			20,932	8,185
Loss before income tax		$	**(48,448)**	**(320,397)**
Income tax	13		-	-
Net loss for the period		$	**(48,448)**	**(320,397)**
Loss attributable to:				
Owners of the Company			(48,448)	(320,397)
Loss for the period			**(48,448)**	**(320,397)**
			-	-
Net loss for the period			**(48,448)**	**(320,397)**
Accumulated deficit, beginning of the period			(382,385)	(61,988)
Accumulated deficit, end of the period		$	**(430,833)**	**(382,385)**

(See accompanying notes to the financial statements)

APPROVED ON BEHALF OF THE BOARD:

Director: Director:

Statements of cash flow

(All amounts in Canadian Dollars, unless otherwise stated)

		For the year ended March 31, 2016	March 31, 2015
Cash flows from operating activities			
Net loss	$	**(48,448)**	**(320,398)**
Adjustments for:			
Depreciation		396	237
Unrealized foreign exchange loss		6,836	25,562
Net change in operating working capital			
Inventories		-	78,802
Other current assets		4,220	(1,161)
Accounts payable and accrued liabilities		7,417	(41,601)
Other current liabilities		16,441	(916)
Advance from Byrde International Inc.		-	(3,116)
Cash used in operating activities	$	**(13,138)**	**(262,591)**
Cash flow from financing activities			
Proceeds from parent company loan		25,793	201,669
Shares issued to parent company		-	21,600
Cash provided by financing activities	$	**25,793**	**223,269**
Increase (decrease) in cash and cash equivalents		12,655	(39,322)
Cash and cash equivalents, at beginning of the period		5,963	45,285
Cash and cash equivalents, at end of the period	$	**18,618**	**5,963**

(See accompanying notes to the financial statements)

Notes to Financial Statements

(All amounts are stated in Canadian Dollars unless otherwise stated)

1. **Description of business**

Solentus North America Inc. (the "Company") is incorporated under the Canada Business Corporations Act (Ontario) on October 11, 2013. The Company is a wholly owned subsidiary of Camlin Fine Sciences Limited, an India company ("Parent"). The Company is engaged in sales, marketing and distribution of speciality ingredients, antioxidants, speciality blends, formulations, emulsifiers vitamins and other related clusters of products for the food, beverage, bakery feed industry and cosmetic industry.

2. **Basis of presentation**

The financial statements of the Company have been prepared by the management in accordance with Canadian accounting standards for private enterprises ("GAAP").

3. **Basis for measurement**

The financial statements have been prepared on historical cost basis using the accrual basis of accounting.

4. **Functional and presentation currency**

The Company's functional and presentation currency is the Canadian dollar.

5. **Significant accounting policies**

a) *Use of estimates*

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management bases the estimates on a number of factors, including historical experience, current events and actions that the Company may undertake in the future and other assumptions that the Company believes are reasonable under the circumstances.

b) Going concern

The Company has an accumulated loss of CAD 430,833 as at March 31, 2016 and its negative net worth as at that date is CAD 332,233. The Company suspended its commercial operations during the year ended March 31, 2015 and is in process of evaluating alternate business opportunities. Camlin Fine Sciences Limited, the parent company, has agreed that it will continue to provide financial support and honour the Company's obligations as they arise. The management holds the view that the Company will realize all its assets and discharge liabilities in normal course of business. Accordingly, the financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.

c) Foreign currency transactions

Transactions denominated in foreign currencies are translated into the Canadian dollar at the rate of exchange in effect at the time of the transaction. Monetary assets and liabilities are translated into Canadian dollars at the period-end exchange rate. Non-monetary items are translated at historical rates. All exchange gains and losses are included in net loss.

d) *Revenue recognition*

The Company recognizes revenues when they are earned, specifically when all the following conditions are met:

a) Products are delivered to customers;
b) There is clear evidence that an arrangement exists;
c) Amounts are fixed or can be determined; and
d) The ability to collect is reasonably assured.

e) *Provision for doubtful debts*

The Company follows specific identification method for providing for doubtful debts. Management analyses accounts receivable and the composition of the accounts receivable ageing, historical bad debts, when evaluating the adequacy of the allowance for doubtful debts.

f) *Financial instruments*

Financial instruments are measured at fair value on initial recognition. After initial recognition, financial instruments (including cash and cash equivalents) are measured at their fair values, except for account receivables and accounts payable and accrued liabilities, which are measured at cost or amortized cost using the effective interest rate method.

g) *Income taxes*

The Company follows asset and liability method of accounting for income taxes. Under this method, future income taxes are recognized for the future income tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis [temporary differences]. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years during which temporary differences are expected to be realized or settled. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the period that includes the enactment date. A valuation allowance is provided to the extent that it is more likely than not; that future income tax asset will not be realized.

h) *Cash and cash equivalents*

Cash and cash equivalents, including cash on account, demand deposits and short-term investments with original maturities of three months or less, are recorded at cost, which approximates market value.

i) *Inventories*

Inventories are valued at the lower of cost or market. The Company believes that the cost per product approximates the actual inventory cost. Goods-in-transit represents goods purchased and dispatched by the vendor, for which the title has passed on to the Company, but not received as at the year-end as they were in transit.

j) *Computers and equipment*

Computers are stated at cost less accumulated depreciation. Depreciation is provided over the estimated useful life on straight line method basis:

Particulars	Useful life
Computer equipment	3 years

The Company regularly reviews its capital assets to eliminate obsolete items.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of:

		As at	
		March 31, 2016	March 31, 2015
Cash at bank		18,618	5,963
Total	$	**18,618**	**5,963**

7. OTHER CURRENT ASSETS

Other current assets comprise of:

		As at	
		March 31, 2016	March 31, 2015
GST/HST receivable		2,183	6,019
Advance to Byrde International Inc.		-	384
Total	$	**2,183**	**6,403**

8. EQUIPMENT

Particulars	**Computers**	**Total**
Cost as at March 31, 2015	712	712
Less: accumulated depreciation as at March 31, 2015	(316)	(316)
Net book value as at March 31, 2015	**396**	**396**
Cost as at March 31, 2016	712	712
Less: accumulated depreciation as at March 31, 2016	(712)	(712)
Net book value as at March 31, 2016	-	-

Depreciation expense for the year ended March 31, 2016 amounts to CAD 396 (March 31, 2015: CAD 237). Since the Company has suspended its operations the asset is completely written off.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities comprise of:

		As at	
		March 31, 2016	March 31, 2015
Accounts payable		39,870	20,441
Accrued liabilities		29,465	41,477
Total	$	**69,335**	**61,918**

10. OTHER CURRENT LIABILITIES

Other current liabilities comprise of:

		As at	
		March 31, 2016	March 31, 2015
Interest payable		25,017	7,705
Total	$	**25,017**	**7,705**

11. LOAN FROM PARENT COMPANY

		As at	
		March 31, 2016	March 31, 2015
Long term loan from Camlin Fine Sciences Limited		258,682	226,924
Total	$	**258,682**	**226,924**

The Company obtained US Dollar (USD) loan from Camlin Fine Sciences Limited, the parent company, for the purpose of meeting the Company's financial obligations and working capital requirements. The loan is repayable on demand and will have maturity of two years from the date of issuance. The parent company is required to give three months' written notice of demand for payment. As per the agreement, all the payments are to be made in US Dollars.

The interest charged on the loan is 8.27% per annum as per the agreement. The interest expense on the loan during the year ended March 31, 2016 is CAD 20,932 (previous year March 31, 2015 is CAD 8,185) and interest payable as at year ended March 31, 2016 is CAD 25,017 (March 31, 2015 is CAD 7,265).

12. SHARE CAPITAL

		As at	
		March 31, 2016	March 31, 2015
Authorized:			
Unlimited number of Class A common shares			
Issued:			
77,000 Class A common shares at CAD 1.00 each fully paid up		77,000	77,000
21,600 Class A common shares at CAD 1.00 each fully paid up		21,600	21,600
	$	**98,600**	**98,600**

13. INCOME TAX

		As at	
		March 31, 2016	March 31, 2015
Future income tax assets:			
Carry forward losses		111,717	90,284
Less: Valuation allowance	$	(111,717)	(90,284)
Net future income tax assets	$	-	-

As a result of current operating losses and carry forward losses, generally accepted accounting principles require that the Company establish a valuation allowance while assessing the realization value of its future income tax assets. The Company has established an allowance of CAD 111,717 (March 31, 2015: CAD 90,284). In assessing the realization of future income tax assets, the likelihood of whether it is more likely than not that some portion or all of the future income tax assets will not be realized must be considered. The ultimate realization of future income tax assets is dependent on the generation of future taxable income during the periods in which temporary differences become deductible. As of March 31, 2016, the Company had federal net operating losses carry forward of approximately CAD 421,026 expiring for federal and provincial tax purposes as follows:

- CAD 61,059 in 2034
- CAD 319,484 in 2035
- CAD 40,483 in 2036

14. RELATED PARTY TRANSACTIONS

A. Related parties:

Directors of the Company:

a. Ashish Dandekar
b. Errol G. C. Byrde (up to October 21, 2015)
c. Saumil Padhya (up to January 01, 2016)
d. Siva Cherla (with effect from May 13, 2015)

Related parties with whom transactions have taken place during the period:

a. Camlin Fine Sciences Limited –parent company
b. Byrde International Inc. (upto October 21, 2015) - A Company in which Errol G.C Byrde is a director.

B. Summary of transactions with related parties are as follows:

		For the year ended	
		March 31, 2016	**March 31, 2015**
Camlin Fine Sciences Limited			
-Shares issued	$	-	21,600
-Purchases	$	-	45,251
-Long term loan	$	25,792	201,669
-Interest expense on long term debt	$	20,932	8,185
-Reimbursement of expenses	$	14,295	12,588
-Repayment to Byrde International Inc.	$	-	3,500
-Remuneration to director	$	-	117,957

The following balances are due to related parties:

		As at	
		March 31, 2016	**March 31, 2015**
Camlin Fine Sciences Limited			
-Loan payable	$	258,682	226,924
-Interest payable on long term debt	$	25,016	7,265
-Reimbursement expenses payable	$	29,705	12,588
-Advance to Byrde International Inc.	$	-	384

15. CONCENTRATION OF CREDIT RISK

In the normal course of business, the Company is exposed to financial risks that may potentially impact its operating results. The Company employs risk management strategies with a view to mitigating these risks on a cost-effective basis.

Economic dependence and credit risk

During the current year ended March 31, 2016, the Company earned no revenue.

During the previous period ended March 31, 2015, the Company earned revenue of CAD 119,308 representing 55% of its total revenue from two customers. However, there are no outstanding account receivables from customers as at March 31, 2015.

16. SUBSEQUENT EVENTS

The Company evaluated all events and transactions that occurred after March 31, 2016 through May 18, 2016 the date the financial statements are issued. Based on the evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements.