

VALIA & TIMBADIA CHARTERED ACCOUNTANTS ARVIND P. VALIA B.COM. (Hons.), F.C.A. HITEN C. TIMBADIA B.COM. L.L.B. (GEN), F.C.A.	Tel: Off: 2269 2624 / 2269 9664/40040216 E-mail: valtim09@gmail.com 32, Trinity Chambers, 117, Bora Bazar Street, Fort, Mumbai – 400 001.
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OCULAR TECHNOLOGIES SARL.

Report on the Financial Statements

We have audited the accompanying Ind AS Financial Statements of **OCULAR TECHNOLOGIES SARL.** (the "Company"), as at 31st December 2016. Financial Statements comprises the Balance Sheet as at December 31, 2016 and the Statement of Profit and Loss(including other Comprehensive income) from 15th December 2016 to 31st December 2016, and Statement of Changes in Equity for the period then ended, and a summary of significant accounting policies and other explanatory information.

We have relied on financial statements prepared by the management of the company from 1st January 2016 to 14th December 2016.

Management's Responsibility for the Financial Statements

The Management of the Company is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards and Accounting Principles generally accepted in India. The responsibility includes the design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 financial 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management of the Company, 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 these financial statements.

VALIA & TIMBADIA
CHARTERED ACCOUNTANTS

ARVIND P. VALIA
B.COM. (Hons.), F.C.A.
HITEN C. TIMBADIA
B.COM. L.L.B. (GEN), F.C.A.

Tel: Off: 2269 2624 / 2269 9664/40040216
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32, Trinity Chambers,
117, Bora Bazar Street, Fort,
Mumbai – 400 001.

Emphasis of Matters

The Net Worth of the Company has been fully eroded; however in the opinion of the management, the going concern of the company will not be affected.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2016; and
- b) In the case of the Statement of Profit and Loss, of the loss for the period ended on that date,

FOR VALIA AND TIMBADIA
CHARTERED ACCOUNTANTS
(Firm Registration No. 112241W)

PLACE: MUMBAI
DATED: 10th May, 2017.

ARVIND P. VALIA
Partner
Membership No. 033962.

Ocular Technologies Sàrl
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Annual accounts
for the year 2016

Balance sheet as at 31 December 2016
(Expressed in USD)

	2016	2015
Assets		
Cash and cash equivalents	-	1.923.595
Other accounts receivable	-	6.112
Prepayments	-	2.305
Total Assets	-	1.932.012
Current liabilities		
Amounts due to group entities	-	1.035.758
Accounts payable	-	7.881
Accrued expenses	-	100.200
Accrued taxes	-	-
Total current liabilities	-	1.143.839
Capital and reserves		
Share capital	21.180	21.180
Capital contribution reserve	25.293.208	15.400.000
Voluntary retained earnings		
Accumulated deficit	(25.314.388)	(7.952.037)
Result for the period *)	-	(6.680.970)
Total shareholder's equity	-	788.173
Total Liabilities	-	1.932.012

*) current year period is from 15 December 2016, that is the date of control, till 31 December 2016
and previous year period is from 1 January 2015 till 31 December 2015

In terms of our report of even date attached

For Valia & Timbadia

Chartered Accountants

For and on behalf of the Board

Arvind P. Valia

Partner

Membership No. 033962

Date: 10th May 2017

Place: Mumbai, India

Prashant Savla

Director

Date: 8th May 2017

Place: Hoofddorp, The Netherlands

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

Profit and loss account for the year ended 31 December 2016
(Expressed in USD)

	2016	2015
License Income	-	-
Research and development expenses	-	6.413.916
Financial income and expenses		
Translation Gain	-	-
Foreign exchange gain/(loss)	-	2.234
<i>Total financial income and expenses</i>	-	2.234
Other income/(expenses)		
General and administrative expenses	-	259.836
<i>Total other income and expenses</i>	-	259.836
Net loss before taxes	-	6.675.986
Taxes	-	4.984
Net loss for the year	-	6.680.970

In terms of our report of even date attached
For Valia & Timbadia
Chartered Accountants

For and on behalf of the Board

Arvind P. Valia
Partner
Membership No. 033962
Date: 10th May 2017

Place: Mumbai, India

Prashant Savla
Director

Date: 8th May 2017

Place: Hoofddorp, The Netherlands

Notes to the annual accounts for the year ended 31 December 2016

Applicable accounting law and principles applied in these financial statements

The Company has prepared financial statements for the year ended December 31, 2016 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 together with the comparative period data as at and for the year ended December 31, 2015.

The financial statements have been prepared on the historical cost basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods, services, etc. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Research and Development Expenses

On October 26, 2016, Auvén Therapeutics Holdings L.P. executed a definitive agreement for the sale of all of its shares of the Company to Sun Pharma Switzerland Ltd. ("Sun"), a subsidiary of Sun Pharmaceutical Industries Ltd. Sun acquired control of the Company as per 15th December 2016. Prior to the sale, the Company engaged A.T. Development Switzerland SARL ("ATDS"), a related party, to manage the clinical development of OTX-101. ATDS in turn contracted third party contract research organizations ("CROs") to perform the clinical studies and charged the Company at cost. ATDS also recharged its general and administrative costs to the Company based on time spent by its employees on the Company's development program on a cost plus basis. Research and development ("R&D") expenses consisted primarily of personnel costs, clinical studies performed by CROs, materials and supplies, licenses and fees, and overhead allocations consisting of various support and facilities-related costs. The Company recorded R&D costs as research and development expenses as they are incurred. ATDS monitored levels of performance under each significant contract including the extent of patient enrollment and other activities through communications with the CROs.

Full-time equivalents

Ocular Technologies Sàrl does not have any employees.

Assets and liabilities

All assets and liabilities of the Company were settled to zero at the time of the sale to Sun.

Contingent liabilities

ATDS recharged externally sourced development work at cost to the Company.

As of December 31, 2016, ATDS had contractual obligations for the development of OTX-101 for a total amount of USD 0 (2015: USD 6,288,502).

In terms of our report of even date attached

For Valia & Timbadia

Chartered Accountants

For and on behalf of the Board

Arvind P. Valia

Partner

Membership No. 033962

Date: 10th May 2017

Place: Mumbai, India

Prashant Savla

Director

Date: 8th May 2017

Place: Hoofddorp, The Netherlands