ALLIANCEPHARMA INC.
(Formerly Rodocanachi Capital Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE INTERIM PERIOD ENDED APRIL 30, 2015

FORM 51-102

The following Management's Discussion and Analysis ("MD&A") comments on the consolidated financial condition and results of operations of AlliancePharma Inc. for the three and nine-month periods ended April 30, 2015. This will help the reader to assess material changes in our financial position and operating results for the interim period ended April 30, 2015. AlliancePharma Inc. ("the Company") was incorporated on March 5, 2008. This MD&A complies with Rule 51-102A of the Canadian Securities Administrators on continuous disclosure management's point of view on the Company's ongoing activities as well as an outlook of the activities planned for the coming months and also elaborates on its financial results and risks that may impact the activities of the Company. This MD&A is based on the financial statements of the reverse takeover acquirer. This MD&A is the second interim MD&A required to be filled for the consolidated companies following the date of the reverse takeover. See "Overview of reverse acquisition" below.

This MD&A, completed and approved by the Board of Directors on June 29, 2015, should be read in conjunction with the condensed interim consolidated non-audited financial statements of AlliancePharma Inc. for the interim period ended April 30, 2015 and audited financial statements of the Company for the year ended July 31, 2014, together with the accompanying notes that form part of the statements.

The Company's condensed interim consolidated financial statements for the year period ended April 30, 2015 have been prepared in accordance with the International Accounting Standard ("IAS) 34, *Interim Financial Reporting* ("IAS 34"), and follow the same accounting policies and methods of application as the annual financial statements of the Company for the year ended July 31, 2014. All amounts are expressed in Canadian dollars unless otherwise stated. References to notes are with reference to the condensed interim consolidated financial statements.

Unless the context otherwise required, all references to "AlliancePharma", "Company", "our", "us", "we" refers to AlliancePharma Inc. as consolidated with its subsidiaries. Further information about the Company, its properties, projects, annual and quarterly reports are available for consultation on the website of SEDAR at the following address: www.sedar.com.

FORWARD-LOOKING INFORMATION

Some information in this MD&A is forward-looking with the meaning of certain securities laws, and is subject to important risks, uncertainties and assumptions. The forward-looking information is based on certain assumptions, which could change substantially in the future. The forward-looking information in this MD&A describes the Company's expectations as at the date of this MD&A. The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. The forward-looking information contained in this MD&A represents the expectations of the Company as at the date of this MD&A and, accordingly, is subject to change after such date. The Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date.

OVERVIEW OF REVERSE ACQUISITION

On January 8, 2015, the Company closed its previously announced qualifying transaction (the “Transaction”) with AlliancePharma Inc. (“Alliance Operations”), a private Quebec-based health industry personal placement company. Following the completion of the Transaction, Alliance Operations became a wholly owned subsidiary of the Company.

Prior to the Transaction, the Company was a capital pool company as defined in the policies of the TSXV and had not commenced commercial operations and had no assets other than cash. The Transaction constituted its “Qualifying Transaction”, as defined by the policies of the TSXV. As part of the Transaction, the Company completed a shares-for-debt transaction pursuant to which $60,000 of debt was converted into 1,200,000 pre-consolidation common shares. The Company also consolidated its common shares on the basis of three (3) to one (1) and changed its name to AlliancePharma Inc.

Alliance Operations also amalgamated with a wholly owned subsidiary of the Company, with all outstanding shares of Alliance Operations being exchanged for 18,000,000 common shares of the Company and a debenture convertible into 5,000,000 additional shares of the Company valued at $43 (Note 14). Following the completion of the Transaction, the Company has an aggregate of 22,564,934 common shares outstanding, including 18,000,000 common shares issued to former holders of Alliance Operations shares, or a 79.77% interest in the Company.

The Company also completed a concurrent private placement of 2,031,600 units at a price of $0.15 per unit, each Unit being comprised of one common share and one common share purchase warrant entitling the holder thereof to acquire one additional common share at a price of $0.25 until January 8, 2017.

Although the Transaction resulted in Alliance Operations becoming a wholly-owned subsidiary of the Company, the Transaction constitutes a reverse acquisition of the Company in-as-much as the former shareholders of Alliance Operations own a substantial majority of the issued and outstanding common shares of the resulting corporation. For accounting purposes, Alliance Operations is considered the accounting acquirer and the Company the accounting acquiree.

As Company did not meet the definition of a business under guidance from IFRS 3, the reverse acquisition does not constitute a business combination and accordingly, the reverse acquisition has been accounted for in accordance with guidance provided in IFRS 2, "Share-Based Payment". As Alliance Operations is deemed to be the acquirer for accounting purposes, its assets and liabilities and operations since incorporation are included in the condensed interim consolidated financial statements at their historical carrying value. The Company’s results of operations are included from the date of the transaction onwards.

The value of the consideration paid was determined based on the fair value of the net assets of the Company acquired on January 8, 2015, which was computed as $380,000 as follows:

Net assets acquired		
	Cash and cash equivalent	3,975
	Trade and other receivables	25,494
	Trade and accrued liabilities	(165,966)
	Advance from a non-related company	(126,800)
	Cost of public listing	643,297
Total net assets acquired		**380,000**
Consideration		
	Fair value of 2,533,334 common shares issued at $0.15 (ii)	380,000
		380,000

(i) Reflects the January 7, 2015 one-for-three common share consolidation (note 12).

(ii) The fair value of the common shares was estimated to be $380,000 based on 2,533,334 common shares of the Company at fair value of $0.15 per share, based on the fair value of shares issued in the concurrent private placement completed as part of the reverse acquisition.

BUSINESS OVERVIEW

AlliancePharma Inc. (the "Company") is a provider of pharmacy personnel replacement and vocational training services. It has developed a strong and growing base of active clients with the direct involvement of replacement pharmacists and technical assistants, and focuses on delivering a tier-one placement platform making it possible to target and connect the right providers, in the right places, at the right times and for the right price. The Company is currently among the important providers of in-pharmacy replacement services in the Province of Quebec with a current focus on eastern portion of the Province.

The Company's placement platform was developed in-house by the Company's management through the ongoing availability and direct involvement of approximately 200 pharmacists and 50 technical assistants. These professionals provide the Company with their availabilities for replacement and formation, giving the Company access to their skills and knowledge on an as needed basis. The Company believes that the experience of its management team and their extensive network provide it with a distinct competitive advantage.

Currently, the Company is specialized in recruitment of three different types of employees which are:

- Pharmacists, representing more than 90% of the firm recruitment revenues
- Laboratory technicians, representing around 1-2 % of the firm recruitment revenues
- Nursing staff, representing around 1-2 % of the firm recruitment revenues

In addition to recruitment, the Company also provides trainings for pharmacists and pharmacy owners on various topics. This activity represents between 6 to 8% of the revenues. Those trainings cover various topics from how to manage inventories to how to use pharmacy softwares.

The Company considers each sector of recruitment as part of the same activity. The training revenues are not significant for the Company and the financial information is not available separately for this activity. Therefore, no segmented information is available and presented in this report.

GROWTH STRATEGY

The Company plans to continue the development of its business by improving its placement platform, strengthening its relationship with existing customers, and expanding its customer base as well as expanding its offering continuing education services and other related services. Key growth strategies include:

- Continuing domestic expansion
- Increasing market penetration
- Expansion in the continuing education services and other related services.

THE INDUSTRY

In the past, the market for replacement pharmacists and technical assistants was relatively simple, with pharmacists, technical assistants and pharmacies transacting directly with one another and the demand being limited. As the demographic, population has aged and the number of new treatment has increased, the number of prescriptions has exploded.

Since Bill n°41, *An act to amend the Pharmacy Act* , was approved in June 2016, the Industry will now have to react and insure Quebec Pharmacist will remain qualified to perform a number of services that were traditionally reserved to physicians. Under Bill n°41 in its current version, pharmacists with the relevant trainings would be permitted to extend prescriptions, subject to certain limitations, prescribe medications when no diagnosis is required in certain circumstances, and prescribe and interpret certain laboratory tests. Bill n°41 was originally sponsored by Yves Bolduc, the Minister of Health and Social Services at the time it was introduced and was adopted by the National Assembly of Quebec on December 8, 2011. The Bill n°41 and related regulations were to come into force September 3, 2013, but given the negotiation regarding certain issues, its implementation has been postponed. An order in council was issued on August 22, 2013 to defer the coming into force of the Bill got finally approved in June 2015.

Although Bill n°41 expands the field of contribution of pharmacists, it could give rise to major implementation issues. One of the issues that is still in debate and could greatly affect the company business relates to the remuneration of pharmacists for the new services they would provide. Negotiations between the provincial government and the Quebec Association of Pharmacy Owner are still ongoing on this point. While pharmacists believe that they should be remunerated for the provision of additional services due to the higher operating expenses generated by having to perform additional services, the provincial government has taken the position that only certain new services should be remunerated (namely, the prescription of medications for conditions that have already been diagnosed or that do not require a diagnosis, and the adjustment of prescriptions) and that the other services should be provided for free. Currently, when the same services are performed by physicians, the latter are remunerated by the *Régie de l'assurance maladie du Québec.*

The industry will also have to manage the consequences of recently announced Bill n°28 which could allow the government of Quebec to unilaterally reduce pharmacists' fees by an estimated $177,000,000. Reducing fees by this amount could make it difficult for pharmacists to provide additional services like the ones provided under Bill n°41 should it come into force. Even existing services may have to be scaled back. The announced cuts may result in reduced pharmacy opening hours and demand for pharmacists and technicians as well as reduced investments by pharmacies.

At this point, management of the Company can't predict nor assess the actual consequences on the industry and the change which could occur further to the recently approved Bill n°41 and possibly Bill n°28 eventually.

In addition to the general factors above, management of the Company believes that the industry faces several challenges, including:

- Growth in the number of pharmacies
- Establishment of the two-pharmacist work mode
- Extension of the opening hours
- Rapidly changing and highly-fragmented environment

BOARD OF DIRECTOR CHANGES

Following the transaction described in the overview of reverse acquisition, on January 8, 2015, all the board members were replaced and the board of directors is now composed of the following:

- Isabelle Bégin, President, CEO and Director
- Marc Lemieux, CFO, Secretary and Chairman
- Michael Kinley, Director
- Patrick Fernet, Director
- Sami B. Chaouch Director

OVERALL PERFORMANCE

For the interim period ended April 30, 2015 the Company has generated $3,387,564 of revenues with a gross margin of 26%. Compared to the period ended on April 30, 2014, the revenues increased by 32% but the gross margin ratio decreased by 4%. This increase in revenues is mainly due to the development of the relationship with pharmacy owners and the natural trend of pharmacy owners who are using more replacement agencies to fill-out their temporary needs. The decrease in gross margin is attributable to the higher replacement costs in some specific functions such as consultant for conferences and higher travel expenses content.

The main expense of the Company is the payments made to pharmacists, which represents more than 90% of the total expenses of the cost of revenues. Compared to 2014, the ratio of that expense on the total cost of sales is almost the same, which is normal due to the characteristics of this business.

Since the Company's business and personnel changed with the Company becoming public, new costs were incurred. Those new costs included share based payments that were incurred for the issuance of options to board members, consultants and employees of the Company. Also, all the fees related to regulatory authorities are part of those new costs. Finally, in order to respect all the regulations of public market, the Company also had to incur higher professional fees during the current quarter.

Following the transaction, discussed in the overview of reverse acquisition section, $643,297 of cost of public listing have been recorded. Those costs are not considered as usual costs for the Company and they should not be considered in the current activities and profitability of the Company. Those costs were recorded only as a result of the reverse acquisition. (See note 2 to the condensed interim consolidated financial statements)

Assets and liabilities of the Company are mainly composed of cash and cash equivalents, trade receivables, loans receivable, trade and other payables and note payable. Compared to the year 2014, we can see a decrease in the trade receivables and trade and other payables. Even if the Company has a deficit, the collection of the receivables and the payments of the trade and other payables remains on pace. The main change is related to the retractable class "E" shares that were in the statement of financial position of the Company as of July 31, 2014. On January 8, 2015, within the reverse acquisition, those class "E" shares were exchanged against 10,810,000 shares of AlliancePharma Inc. Therefore, this debt is no longer in the liabilities.

Cash flow used in operating activities for the nine month periods ended April 30, 2015 was $161,262 (2014; inflow of $400,687). The Company reported a loss of $618,709 compared to a profit of $601,043 for the same period in 2014 which represents a decrease of $1,219,752 from 2014. Having said that, we have to consider some factors to explain this change in profitability. First of all, the Company recorded a cost of public listing of $643,297 (2014: NIL). Also, a non-recurrent expense for share-based payments has been recorded for an amount of $219,120 (2014: NIL) relating to the issuance of options to the board members, some consultants and employees. If we do not consider those two elements, the net income of the Company would have been $243,708, which is 30% lower to 2014 not considering the non-current revenues on the gain on disposal of a building. This decrease in profitability is attributable to higher consulting fees related with key management personnel and other professionals to support the business growth and financial disclosures.

The current operations of the Company do not require a complex administrative structure, requiring less than five employees for administration. However, in comparison to 2014, consulting fees were engaged to support the growth and therefore, the costs related to the administrative structure increased. The Company's principal office is in Thetford Mines. It also has a second business center in Quebec City.

The Company is a leader in the recruitment field of pharmacists in the area going from Drummondville and Trois-Rivières to the east of the Province of Quebec. The management evaluated that the Company owns approximately 90 % of the recruitment market of this region and management considers there was a progression in the first 9 months of 2015 compared to 2014. As at April 30, 2015, the Company is not present in the Montreal area, including the south and the north shore of the island. This region is serviced by other competitors of the Company. Penetration of this market is part of the Company's objectives for the next year. To be able to reach this market, the Company will have to increase its list of available pharmacists in this region. The Company may also consider acquiring a competitor. The Company does not do business outside of the Province of Quebec. The market is different in each province of Canada due to the different legislation of pharmacists in each of these provinces. Penetration of those markets is a long-term project of the Company and no time frame has been defined yet.

The pharmacy staffing market is in continuous expansion. The Company estimates that around 100 new pharmacies have opened in the Province of Quebec in the last few years and this tendency should remain the same for a few more years. Therefore, the market for the recruitment and the needs of pharmacy owners for temporary pharmacists staffing will be in progression. In addition to the increased number of pharmacies, many pharmacies now offer prolonged opening hours. As discussed in the industry section, these prolonged hours creates a demand for the services of the Company.

Comment regarding operating segments

The Company considers that it has only one segment of operations. The operations are done in the same regions and the type of activities are all recruitment-related. The other services offered by the Company are considered marginal and therefore no segmented information is available.

SELECTED FINANCIAL INFORMATION

The following tables present selected non-audited information for the period ended April 30, 2015 and 2014 derived from the condensed interim consolidated financial statements of the Company. The following information has been prepared in accordance with IFRS and all values are in Canadian dollars.

Selected Balance Sheet Data

	As of April 30, 2015	As of July 31, 2014
Net working capital	563,571	(1,272,622)
Liquidity ratio	3.22	0.39
Total current assets	796,091	778,474
Total assets	817,400	799,890
Total current liabilities	253,829	2,072,512
Total non-current liabilities	137,147	132,605
Total shareholders' equity (deficiency)	426,424	(1,405,227)

Selected Statement of Operations Data

	Nine-month interim period ended April 30, 2015	Nine-month interim period ended April 30, 2014
Gross margin	897,530	770,155
Revenue	3,387,564	2,571,092
Cost of revenues	2,490,034	1,800,937
Administrative expenses	785,319	218,745
Cost of public listing	643,297	-
Other revenues	(4,542)	170,609
Income taxes	83,081	120,976
Income and comprehensive income	(618,709)	601,043
Basic and diluted earnings per share	(0.0274)	3.005

Current assets are mostly composed of cash and cash equivalents, trade receivables and loans receivable. For the period ended on April 30, 2014 the age of accounts receivable was around 45 days. For the interim period ended April 30, 2015, this has improve to 35 days. Improvement of this recovery can help the Company's liquidity because accounts payable are mainly composed of amounts due to pharmacists who are paid every 15 days. Therefore, the Company has to support with its internal cashflow the difference between the collection of the receivables and the payment of the payables. Improving the recovery delay can help the Company's cashflow and decrease the needs of the Company to use the bank loan or to be on bank overdraft. This situation will be discussed further in this report. The Company still wishes to decrease the aging of its receivables. To achieve this objective, the Company will continue invoicing its clients before the replacements are done by the pharmacists and will make a better follow-up for the payments. As a result, the delay of payment will decrease. For the end of the year 2015, the Company is expecting to reach an aging of about 30 days which would be an ideal situation and would represent a well managed company.

Compared to July 31, 2014, the equity increased from ($1,405,227) to $426,424. As at July 31, 2014, the equity totaled ($1,405,227) resulting from a dividend of $826,676 and a premium of conversion of class A shares against class E shares. Therefore, the increase between year end 2014 and interim period ending April 30, 2015 is significantly attributable to all the transactions related to the reverse acquisition that happened on January 8, 2015. The sponsor of the transaction, Jones, Gable & Company Limited, received 400,000 options for compensation valued at $31,520. Adding to that, other options have been granted to board members, consultants and employees of the company for a fair value of $187,600 that were also recorded in contributed surplus. Also, concurrent with the reverse acquisition, a private placement financing was completed totaling $304,740. Finally, in connection with the financing, a warrant was issued for each new share purchased. Therefore, an amount valued to $122,709 was added to the warrants reserve. All those elements explain the change in shareholders' equity.

RESULTS OF OPERATIONS

The Company reports revenues of $3,387,564 ($2,571,092 in 2014) for a net loss of $618,709 ($601,043 profit in 2014) for the interim period ended April 30, 2015. One of the major cost for the period was the payments to pharmacists. For the Company, the cost of the remuneration of pharmacists and related expenses will always be the largest expense. The Company pays all travel related expenses to the replacement pharmacists, including mileage expenses, accommodation when needed, and meals.

The rate charged to the client is based on various criteria. These criteria include:

- The period of the year for the replacement;
- The urgency of the request. The rate is higher or adjusted for last-minute requests;
- The location of the pharmacy.

In the first nine months of 2015, the Company has increased its sales as expected by the management at the end of 2014. Management was expecting an annual growth of the sale of 15% for the year 2015. As of April 30, 2015, the growth in sale is almost 32%, which is over the expectations of the management. Those results are explained mainly by the development of the relations with pharmacy owners, the natural trend of pharmacy owners who are using more replacement agencies to fill-out their temporary needs and the recognition of the Company in the industry. Also, after almost five years of operation, the Company is now well positioned in the market. Therefore, even if the Company is not putting the emphasis on advertising, the clients' satisfaction helps promote the Company and brings in more clients. This will result in an increase of revenues. The Company expects to stay on this expansion trend, to reach sales of $4.5 million at the end of the current year, to exceed 5 million in 2016 and to maintain the actual gross profit ratio. The Company has been able to monopolize the market in the East of the Province of Quebec where its competitors have difficulties in this market because of the strong presence of the Company in this region and higher prices for competitors than those offers by the Company. Therefore, the Company is in good position in this region for the upcoming years.

The Company does not have signed contracts with pharmacy owners. Therefore, there is no guarantee replacement pharmacists that will be needed, so no guaranteed revenues. Management does regular follow-ups with their clients to ensure that their needs for replacement are filled-out and that the Company is not losing any potential business. In this type of market, the Company is not able to have signed contracts with pharmacy owners because they are not able to predict their needs for replacement. This represents a risk for the Company that will be assessed in the risk section of this report. In a near future, Management will explore the opportunity to contract directly with the pharmacy banner. Therefore, the Company will be able to have guaranteed revenues for upcoming periods.

The Company's gross margin has grown in comparison to the same period of last year. Therefore, we can see that the activities of the company are profitable and on a good trend. With a gross margin of $897,530 (26%) as of April 30, 2015, and a profitability history, we should expect the company to realize profit and not loss for this period. However, there is an explanation for the loss situation as of the end of the period. The cost of going public of $643,297 was recorded in connection with the reverse acquisition that took place on January 8, 2015. The management has also issued options and increased the salary of the President. The expenses related to the cost of public listing and share based payments (options grant) are not considered as usual expenses for the company and therefore we should not considered those costs in our profitability analysis. For the increase in salaries, this expense will now be part of the current activities and that should be considered. Having said that, if we are not considering the costs of public listing and the share based payment, we will add $862,417 to the profit of the company and this will result in a profit of $243,709 instead of a loss of $618,709 for the period ended April 30, 2015.

On a global perspective, all variations between actual and past periods are explained by two simple points. First, the Company is still in its first years of operation and is currently always growing up from year to year. Therefore, the sales increases, administrative expense increases and variations are mainly attributable to the Company's growth. Secondly, the company became public. This situation created new expenses that are easily understandable.

Income tax expense for the fiscal period of nine months of 2015 amount to $83,081 ($120,976 in 2014). Those taxes relate to our subsidiary AlliancePharma Operations Inc. that has profitable activities.

Review of operations for the three-month periods ended April 30, 2015 and 2014

For the three month periods ended April 30, 2015, the Company generated $1,172,571 of revenues with a gross margin of 24%. Compared to the three month period ended April 30, 2014, the revenues increased by 12% and the gross margin decreased by 8%. As for the nine month period, this increase is mainly due to the development of the relationship with clients and the natural trend of pharmacy owners who are using more replacement agencies to fill-out their temporary needs. As for the nine month period, one of the major cost of revenues was the payments to replacement pharmacists. Administrative expenses increased primarily in the categories of salaries and professional fees, all of which have been discussed in our analysis of our results of operations for the nine months to April 30, 2015. During the third quarter, the Company found back the profitability. In the third quarter, the Company has generated a net income of $75,049 compared to a net income of $216,123 for the same period from the previous year.

In this three month period, directors of the Company took over the Management of the new AlliancePharma Inc., previously Rodocanachi Capital. Having available liquidity from issuance of units in the private placement, the Management have clean accounts payable that were due over a long period since the Company was almost inactive before the reverse takeover. Therefore, that can explain why the operating cashflows are negative for this period.

LIQUIDITY, CAPITAL RESSOURCES AND OUTLOOK

The Company's primary source of cash flow is the income of the interim period and the issuance of its own securities. Income can be projected and forecasted with a certain degree of certainty and the future cashflows can be used for budgeting and planning the liquidity of the Company for the next periods. Management believes that the income will be sufficient to satisfy ongoing operational needs, including business development in the next periods even for this period, the Company liquidity ratio increased compared to the previous period. The ratio is now around 3.22 compared to 2.24 period ended January 31, 2015, which is considered sufficient to operate without the need to borrow any funds for current activities. The nature of the Company's operations ensures that the largest outflows, such as payments to the replacement employees, are correlated with cash inflows. Management is working on the receivables collection ratio to improve the rapidity of the client collections to increase the correlation between the cash outflow and inflow to avoid using bank loans on a continuous basis.

On January 8, 2015, the Company completed a private placement for a total amount of $304,740. This is a source of cash flow for the Company. Even if the Company is not regularly using equity issuances for financing, this is an available possibility for the management, since the Company became public during the current period. The accessibility to the capital market is a new option to the Company and if a need for liquidity arises for an acquisition or an expansion of the Company's business, management may use this source. As of the April 30, 2015, management is not considering any new capital share issuance by the end of the fiscal year except the ones associated with the subsequent event describe in this report.

The Company faces different risks related to its financial instruments. One of these risks is liquidity risk. Liquidity risk is the risk that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring forecast of cash inflows and outflows due in its day-to-day business. Net cash requirements on day-to-day, week-to-week and 30-day projections are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient.

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, particularly its cash resources and trade receivables. The Company can meet its current requirements as at April 30, 2015 only with the available cash and cash equivalents and trade receivables. Furthermore, the Company has available borrowing facilities and loans receivable that can be reimbursed.

The Company liquidity ratio as of period ended April 30, 2015 is 3.22 compared to 1.23 for the period ended April 30, 2014. The ratio has increased, which is a good sign. The Company is able to meet its obligations. The liquidity ratio was affected by trade payables that were acquired in the reverse acquisition that totaled almost $90,000. During the period, Management has paid those payables, which had a positive effect on the ratio. Those payables were attributable to all the public market and professional fees. Management is trying to keep a minimal ratio of 2.5. Even if for the current period the target was exceeded, Management will keep this target for the end of the year. The pressure on the trade receivables collection is still important and this is why the management is continuously addressing this trade collection situation to increase the liquidity flexibility of the Company.

During the first quarter of the current fiscal year, management has issued a dividend of $75,000 ($Nil in 2014) to shareholders. This dividend was issued prior to the company becoming public. This dividend was issued to transfer a portion of the available cash and cash equivalents to the shareholders prior becoming public and having new shareholders. Those dividends were not a distribution of profits. There is no obligation for the Company to issue or to pay a dividend to the shareholders. It is only a management's decision. Therefore, dividends will not be an issue for the Company's liquidity going forward.

Other than the transaction describe in the subsequent event section, as of April 30, 2015, the Company does not currently have any commitment to capital expenditures nor does it have any externally imposed capital requirements at this time. Management does not expect to make capital expenditures other than small leasehold improvements, computer equipment and furniture and fixture purchases. The management does not expect to spend more than $15,000 for the next year on those elements and $5,000 for the next three months before year end.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as of April 30, 2015 and 2014.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties include the subsidiaries and a company under common control as well as key management personnel. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

The Company's key management personnel consists of the directors and executives. Aside from the dividends (which are paid to key management personnel as part of their total remuneration), the key personnel management remuneration totals $152,500 (NIL in 2014). The directors personnel remuneration totals $81,600 (NIL in 2014).

USE OF ESTIMATES AND JUDGMENT

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates. Estimates are based on the management's best knowledge of current events, actions that the Company may undertake in the future and the most probable set of economic conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Significant estimates or judgment was made by Management when preparing the Company's condensed interim consolidated financial statements for the period ended April 30, 2015. Those estimates and judgement are disclosed in the quarterly financial statements for the period ended April 30, 2015.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain liabilities measured at fair value as required under specific IFRS pronouncements.

Functional and presentation currency

These financial statements are presented in Canadian dollars, the Company's functional currency.

Business combinations

Business combinations are accounted for using acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

Revenue

Revenue arises from the rendering of services and is measured at the fair value of consideration received or receivable, excluding sales taxes. Revenue is recognized when the services are provided. Consideration received prior to the services being rendered is deferred as a liability under "Deferred revenues" in the statement of financial position.

Property, plant and equipment

Property, plant and equipment are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management. They are subsequently measured using the cost model, cost less accumulated depreciation and impairment losses. Depreciation of furnitures and fixtures is recognized according to the decreasing method to write down the cost less estimated residual value, if any. The depreciation of leasehold improvements use the straight-line method so as to depreciate the initial cost down to the residual value over the estimated useful live. For the rates and useful lives applied, refer to note 3 of the annual financial statements for year ended July 31, 2014.

Impairment

For impairment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, all assets are tested individually for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use.

Intangible assets

Intangible assets that are acquired by the Company and have finite useful live are measured at cost less accumulated amortization and accumulated impairment losses. Depreciation is calculated over the cost of the asset less its residual value. Depreciation is recognized in profit or loss over the estimated useful life of intangible assets. Amortization is recognized in profit or loss over the estimated useful life of intangible assets, other than goodwill and the indefinite life intangible, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The method of amortization and the estimated useful lives for the current and comparative periods are described in note 3 of the annual financial statements for year ended July 31, 2014.

Cash and cash equivalents

The Company’s policy is to disclose bank balances and temporary investments with a maturity period of three months or less from the date of acquisition under cash and cash equivalents.

Financial instruments

Financial Assets

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Financial assets at fair value through profit or loss ("FVTPL")

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated as at FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's risk management strategy. Attributable transaction costs are recognized in profit or loss when incurred. FVPTL are measured at fair value, and changes, are recognized in profit or loss. There are no financial assets classified in this category.

Held to Maturity ("HTM")

Securities that have a fixed maturity date and which the Company has positive intention and the ability to hold to maturity are classified as held-to-maturity and are initially recognized at fair value and subsequently at amortized cost using the effective interest rate method. Transaction costs incurred to acquire held to maturity financial instruments are included in the underlying balance. There are no financial assets classified in this category.

Loans and Receivables

These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specific date or dates, or on demand. They are initially recognized at fair value plus transaction costs, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and included fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process. The Company has classified cash and cash equivalents, trade accounts receivable and loans receivable.

Available-For-Sale Investments

Non-derivative financial assets that do not meet the definition of loans and receivables are classified as available-for-sale and comprise principally the Company's strategic investments in entities not qualifying as subsidiaries or associates. Available-for-sale investments are carried at fair value with changes in fair value of an available-for-sale financial asset (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously recognized in other comprehensive loss/income, is recognized in profit or loss. If there is no quoted market price in an active market and fair value cannot be readily determined, available-for-sale investments are carried at cost. There are no financial assets in this category.

On sale or impairment, the cumulative amount recognized in other comprehensive loss/income is reclassified from accumulated other comprehensive loss/income to profit or loss.

Effective interest method

The effective interest method calculates the amortized cost of a financial asset and allocates interest income over the corresponding year. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

Impairment of Financial Assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in the statement of loss and comprehensive loss.

Financial liabilities

Financial liabilities are classified into one of the following categories:

Fair Value through profit or loss

This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with the changes in fair value recognized in the statement of loss and comprehensive loss. The Company has classified the retractable class "E" shares in this category.

Other financial liabilities

Financial liabilities are classified as other financial liabilities, based on the purpose for which the liability was incurred, and comprise of trade payables and accrued liabilities. These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method. This ensures that any interest expense over the year to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding. This category includes bank overdraft, trade accounts payable and salaries and vacation payable and note payable.

Income taxes

The Company accounts for its income taxes using the deferred tax assets and liabilities method. The tax expense recognized in profit or loss comprises the sum of deferred taxes and current taxes which is not recognized in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting years that are unpaid at the reporting date. Current taxes are payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current taxes is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred taxes are not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided those rates are enacted or substantively enacted by the end of the reporting year.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company’s forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred taxes are also in other comprehensive income or equity, respectively.

Equity

Share capital is presented at the value ot the shares issued. Costs related to issuing shares are reported in equity, net of tax, as a deduction of the proceeds from the issue. All transactions with owners are recorded separately within equity. Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

ADOPTION OF NEW ACCOUNTING STANDARD

Amendments to IAS 32 - Financial Instruments: Presentation

In December 2011, amendments to IAS 32, Financial Instruments: Presentation, were issued to clarify the application of offsetting criteria with regard to offsetting financial assets and financial liabilities. The amendments became effective for the period beginning on August 1, 2014. The application of this standard don't have any effect on the Company's condensed interim consolidated financial statements.

Annual Improvement to IFRS 2010-2012 Cycle and Annual Improvements to IFRS 2011-2013

In December 2013, the Annual Improvements to IFRS 2010-2012 Cycle and Annual Improvements to IFRS 2011-2013 Cycle were issued, containing a number of amendments to various IFRS such as IFRS 3, Business Combinations, IFRS 13, Fair Value Measurement, IAS 16, Property Plant and Equipment, IAS 24, Related Parties and, IAS 38, Intangible Assets. These amendments became effective for the period beginning on August 1, 2014. The application of those improvements don't have any effect on the Company's condensed interim consolidated financial statements.

International Financial Reporting Standard 2, "Share-based payment" ("IFRS 2")

The amendment to IFRS 2 "Share-based payment" ("IFRS 2"), issued in December 2013 clarify the definition of "vesting conditions", and separately define a "performance condition" and a "service condition". A performance condition requires the counterparty to complete a specified period of service and to meet a specified performance target during the service period. A service condition solely requires the counterparty to complete a specified period of service. The amendments are effective for share-based payment transactions for which the grant date is on or after July 1, 2014. The application of this standard don't have any effect on the Company's condensed interim consolidated financial statements.

International Accounting Standard 24, "Related party disclosures" ("IAS 24")

The amendments to IAS 24 "related party disclosures" ("IAS 24), issued in December 2013, clarify that a management entity, or any member of a group of which it is part, that provides key management services to a reporting entity, or its parent, is a related party of the reporting entity. The amendments also require an entity to disclose amounts incurred for key management personnel services provided by a separate management entity. This replaces the more detailed disclosure by category required for other key management personnel compensation. The amendments will only affect disclosure and are effective for annual periods beginning on or after July 1, 2014. The Company has not identified any impact from the adoption of this standard.

BUSINESS RISK AND UNCERTAINTIES

An investment in the common shares of the Company should be considered a speculative investment due to the limited history of existence of the Company. The following risk factors should be given special consideration when evaluating an investment in any of the Company securities:

A) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares;

B) the Company, from time to time, can be involved in a claim, legal proceeding and complaint arising in the ordinary course of business. The Company is not aware of any pending or threatened proceeding that would have a material adverse effect on the financial condition or futur results of the Company;

C) the Company may be subject to growth-related risks including pressure on its internal systems and controls. The Company's ability to manage its growth effectively will require it to continue to implement and improve its operational and financial systems. Company may experience growth in the scope of its operating and financial systems, resulting in increased responsibilities for the Company's personnel, the hiring of additional personnel and, in general, higher levels of operating expenses. In order to manage its current operations and any future growth effectively, the Company will also need to continue implementing and improving its operational, financial and management information systems and to hire, train, motivate, manage and retain its employees.

Financial instruments risk

Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The main types of risks are credit risk and liquidity risk. The Company's risk management is coordinated by its executives, and focuses on actively securing the Company's short to medium-term cash flows. The Company does not actively engage in the trading of financial assets for speculative purposes and it does not write options.

The carrying amounts of the Company's financial assets and liabilities by category are as follows:

	April 30, 2015	July 31, 2014
Financial assets classified as loans and receivables	$	$
Cash and cash equivalents	241,141	243,683
Trade and other receivables	255,887	336,427
Advance to a non-related company	-	126,800
Loans receivable	214,352	70,757
	711,380	777,667

	April 30, 2015	July 31, 2014
Financial liabilities recognized at amortized cost	$	$
Trade and other payables	253,829	315,072
Note payable	137,147	132,605
	390,976	447,677
Financial liabilities at fair value through profit or loss		
Retractable class "E" shares	-	100

The most significant financial risks to which the Company is exposed is credit risk and liquidity risk. Credit risks is analysed below whereas liquidity risk has been discussed in the liquidity, capital ressources and outlook section of this report in the previous pages.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk mainly regarding trade and other receivables from its customers. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized as at April 30, 2015 (which is summarized in the table above, in the “Risk management objectives and policies” section).

The Company continuously monitors defaults of customers, and incorporates this information into its credit risk controls. The Company's management considers that all of its financial assets that are not impaired or past due for the April 30, 2015 reporting date under review are of good credit quality. As of this date, no financial assets were impaired, but the Company had certain trade receivables that have not been settled by the contractual date due which are not considered to be impaired.

As of the end of period, all of these accounts were past due by not more than three months and totalled as follows:

April 30, 2015	July 31, 2014
$ 1,523	$ 24,054

With respect to trade accounts receivable, the Company is not exposed to any significant credit risk exposure regarding any single counterparty as at April 30, 2015. However, at this date, the Company was exposed to a counterparties having similar characteristics and geographical areas, and that operated businesses in the same industry.

The credit risk for cash is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the condensed interim consolidated financial statements, is the responsibility of Company's management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying interim financial statements.

ACQUISITION OF ELITIS PHARMA INC.

As of June 1, 2015, the Company completed the acquisition of 100% of the shares of Elitis Pharma Inc. (Elitis), a competitor of the Company.

In consideration for the acquisition of the shares of Elitis, the Company has paid the shareholders of Elitis a cash amount of $2,800,000 on closing the Transaction, financed by a new the credit facility. The Company will also make deferred payments totalling $1,350,000, adjusted as per the terms of the agreement, as more fully described in the news release dated March 7, 2015.

The initial consideration of $2,800,000 for the shares of Elitis is fully financed by a secured credit facility granted to the Company by an arm's length party on May 27, 2015.

As part of the Transaction, the Company has paid a finder's fee of 950,000 common shares for the acquisition and 650,000 common shares and $24,000 for the Credit Facility. All shares issued pursuant to the Transaction will be subject to a hold period of four months and one day, according to Canadian securities law.

OTHER INFORMATION

Additional information about the Company including its annual audited financial statements and MD&A for the company most recently completed financial year, Filing statement, Information circular, and press releases issued by the company, are available under the Companys' profile on SEDAR at www.sedar.com.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this documents constitute "forward-looking statements". When in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Company's management, are intended to identify forward-looking statements. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's current views with respect to the future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements that may be expressed or implied by such forward-looking statements. Although the Company believes that the expectations reflected in these forward-looking statements are reasonables, it can give no assurance that these expectations will prove to have been correct. These statement do not reflect the potential impact of any non-recurring items, assets write downs or other transactions or charges that may be announced or that may occur after the date hereof. While the list below of cautionary statements is not exhaustive, some important factors that could affect the Company's future operating results, financial position and cash flows and could cause its actual results to differ materially from those expressed in these foward-looking statements are changes in the legislation or the regulatory environment, the success of the Company's business model, changes in laws and regulations, or in their interpretations, changes to taxes regulations and accounting pronouncements, the intensity of competitive activity in the industry in which the Company operates, the brand reputations, the Company's ability to attract and retain pharmacists, the accuracy of management's assumptions and other factors performances that are beyond the Company's control. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments, unless required by the applicable securities laws.