

VILA VIÑA PARTICIPACIONES S.L.
BALANCE SHEET AS AT 31ST MARCH 2019

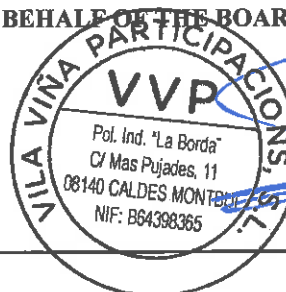
Particulars	Note No.	As at 31st Mar 2019 (Amount in Euro)	As at 31 March 2018 (Amount in Euro)
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	36,142	43,786
(b) Financial Assets			
(i) Investments	4	3,034,494	3,034,494
(ii) Loans	5	824	824
Total Non-current assets		3,071,460	3,079,103
2 Current assets			
(a) Financial Assets			
(i) Trade receivables	6	360	360
(ii) Cash and cash equivalents	7	295,853	223,921
(iii) Loans	8	-	17,194
(b) Other current assets	9	32,540	42,534
Total Current assets		328,753	284,008
TOTAL ASSETS		3,400,212	3,363,112
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	10	2,131,500	2,131,500
(b) Other Equity	11	1,199,681	1,128,292
Total Equity		3,331,181	3,259,792
3 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	12	27,121	30,977
Total Non-Current Liabilities		27,121	30,977
4 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	13	10,071	10,014
(ii) Other financial liabilities	14	4,297	21,120
(b) Other current liabilities	15	26,864	40,497
(c) Current tax liabilities (Net)	16	680	712
Total Current liabilities		41,911	72,343
TOTAL EQUITY AND LIABILITIES		3,400,212	3,363,112

Significant Accounting Policies & Notes on Accounts 2

As per our report of event date
BOVE MONTERO Y ASOCIADOS
 Auditors & Consultants



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Director

**VILA VIÑA PARTICIPACIONES S.L.
PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019**

	Particulars	Note No	YTD ended FY 18-19 (Amount in Euro)	YTD ended 31 Mar 2018 (Amount in Euro)
(I)	Revenue From Operations	17	222,827	208,109
(II)	Other Income	18	585,080	755,235
(III)	Total Income (I+ II)		807,907	963,344
(IV)	EXPENSES			
	Employee benefits expense	19	126,371	124,536
	Finance costs	20	2,369	4,628
	Depreciation and amortization expense	21	7,644	8,116
	Other expenses	22	52,671	51,054
	Total expenses (IV)		189,055	188,333
(V)	Profit before tax (I- IV)		618,852	775,010
(VI)	Tax expense: Current tax	23	10,963	4,984
(VII)	Profit (Loss) for the period (V-VI)		607,889	770,026
(VIII)	Earnings per equity share:	24		
	(1) Basic		2.85	3.61
	(2) Diluted		2.85	3.61

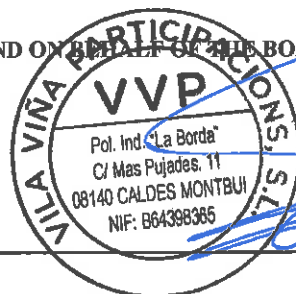
As per our report of event date
BOVÉ MONTERO Y ASOCIADOS
Auditors & Consultants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Barcelona, Spain

Date : 15-06-2018

08006 BARCELONA
N.I.F. B-08.639.734



Director

Vila Vina Participacions SL
Notes forming part of the financial statements

Note

1 Legal status and principal activities

Vila Vina Participacions SL ("The Company") based out of Spain, is a 60% Subsidiary of Alivira Animal Health Limited. The company through its subsidiaries manufactures and distributes veterinary medical and nutritional products. The company was incorporated in 2006 and the corporate office is located in Caldes de Montbui, Barcelona (Spain)

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The Financial Statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets that are carried at revalued amounts.

'The financial statements of Vila Vina Participacions SL ('the Company') have been prepared, in accordance with with Spanish accounting standards. The Financial Statements have been prepared on accrual basis.

Effective 1 June 2016, Alivira Animal Health Limited, Ireland (step down subsidiary of Sequent Scientific Limited) acquired stake of 60% in the Company.

The financial statements are prepared for the period 1 April 2017 to 31 March 2018 for the purpose of consolidation with its ultimate holding Company 'Sequent Scientific Limited'

2.2 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprise its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than the subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets to the date the asset is ready for its intended use. Exchange differences arising on restatement/ settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

2.3 Depreciation

Depreciation is provided under the straight-line method based on the useful lives:

Nature of Asset	Useful life in periods (range)
Buildings	10 - 75
Office Equipment	3 - 10
Vehicles	2 - 8
Furniture and Fixtures	5 - 15



2.4 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial period even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten periods from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets

2.5 Inventory

Inventories comprises of raw materials and finished goods. These are valued at the lower of cost and net realizable value. Cost is determined on First in First out basis for finished goods - 'At material cost, conversion costs and an appropriate share of production overheads.

2.6 Revenue recognition

Revenue from export sales is recognized on the basis of the shipping bills for exports. Revenue from domestic sales is recognized based on the passage of title to goods which generally coincides with dispatch. Sales include excise duty and are stated net of discounts, other taxes, and sales returns.

Dividend income is recognised when the right to receive the same is established.

Interest income is recognised on an accrual basis.

2.7 Taxes on income

Income Tax comprises the current tax provision. Current tax is the amount of tax payable on the taxable income for the period.

2.8 Earnings per share (EPS)

In determining the Earnings per share, the Company considers the net profit after tax. The number of shares used in computing Basic Earnings per share is the weighted average number of equity shares outstanding during the period. The number of shares used in computing Diluted Earnings per share comprises the weighted average number of equity shares considered for deriving Basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date.

Vila Vina Participacions SL
Notes forming part of the financial statements

2.9 Provisions and contingencies

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not recognized but are disclosed in the notes to financial statements.

2.10 Segment

Segments have been identified taking into account the nature of services, the differing risks and returns, the organizational structure and the internal reporting system.

2.11 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.12 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

2.13 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.14 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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VILA VIÑA PARTICIPACIONES S.L.

Notes to accounts

Note no	Particulars	As at 31st Mar 2019 (Amount in Euro)	As at 31st Mar 2018 (Amount in Euro)
3	Property, plant and equipment		
	Technical Installation		
	Computers		42
	Plant and machinery		
		36,142	
	Vehicles		43,744
		<u>36,142</u>	<u>43,786</u>
4	Non-current Investments		
	Investments in equity instruments - Subsidiaries		
	Phytotherapic Solutions	296,000	296,000
	Laboratorios Karizoo	1,876,684	1,876,684
	Comercial Vila Veterinaria Lleida	119,310	119,310
	Laboratorios Karizoo Mexico	742,500	742,500
		<u>3,034,494</u>	<u>3,034,494</u>
5	Financial assets - Non-current (Others)		
	Security Deposits	824	824
		<u>824</u>	<u>824</u>

6	Trade receivables		
	(a) Unsecured, considered good	360	360
		<u>360</u>	<u>360</u>
	Less: Provision for doubtful debts		-
		<u>360</u>	<u>360</u>
7	Cash and cash equivalents		
	- In current accounts	295,853	223,921
		<u>295,853</u>	<u>223,921</u>
8	Loans		
	(b) Unsecured, considered good;		
	Loans to related parties	-	17,194
		<u>-</u>	<u>17,194</u>
9	Other current assets		
	Balances with government authorities	32,364	42,231
	Prepaid expenses	175	302
		<u>32,540</u>	<u>42,534</u>

VILA VIÑA PARTICIPACIONES S.L.**Notes to accounts**

Note no	Particulars	As at 31st Mar 2019 (Amount in Euro)	As at 31st Mar 2018 (Amount in Euro)
12	Other Non-current liabilities financial liabilities		
	Finance lease obligation	27,121	30,977
		<u>27,121</u>	<u>30,977</u>
13	Trade payable		
	Trade payable	10,071	10,014
		<u>10,071</u>	<u>10,014</u>
14	Other Current financial liabilities		
	Current maturities of long-term debt	-	17,194
	Current finance lease payables	3,856	3,623
	Other current liabilities	441	303
		<u>4,297</u>	<u>21,120</u>
15	Other Current Liabilities		
	Statutory remittances	26,864	40,497
		<u>26,864</u>	<u>40,497</u>
16	Current tax liabilities (Net)		
	Provision for taxation	680	712
		<u>680</u>	<u>712</u>



VILA VIÑA PARTICIPACIONES S.L.
Notes to accounts

	<u>As at</u> <u>31st Mar 2019</u>	<u>As at</u> <u>31st Mar 2018</u>
10 Share capital		
(a) Authorised Share Capital		
213150 share of Euro 10 each	2,131,500	2,131,500
(a) Issued Share Capital		
213150 share of Euro 10 each	2,131,500	2,131,500
	<u>2,131,500</u>	<u>2,131,500</u>

Notes :

(i) Reconciliation of the number of shares and amount outstanding at the beginning and end of the reporting period

	<u>As at 31st Mar 2019</u>		<u>As at 31st Mar 2018</u>	
	<u>No. of Shares</u>	<u>Amount</u>	<u>No. of Shares</u>	<u>Amount</u>
No. Equity shares	213,150	2,131,500	213,150	2,131,500
Add : Shares issued during the period	-	-	-	-
Shares outstanding at the end of the period	<u>213,150</u>	<u>2,131,500</u>	<u>213,150</u>	<u>2,131,500</u>

(ii) Trems / Rights attached to Equity Shares

In the Event of liquidation of the company, the shareholders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of the all preferential amounts, if any. The distribution will be in the proportion to the number of equity shares held by the share holders

(iii) Details of Shares held by each share holder holding more than 5% shares

<u>Name of Share Holders</u>	<u>No. of Shares</u>	<u>% holding</u>	<u>No. of Shares</u>	<u>% holding</u>
Alivira Animal Health Limited (Ireland)	127,890	60%	127,890	60%
Eusebi Vila Vina	28,420	13%	28,420	13%
Ramon Vila Vina	28,420	13%	28,420	13%
Terasa Vila Vina	28,420	13%	28,420	13%

	<u>As at</u> <u>31st Mar 2019</u>	<u>As at</u> <u>31st Mar 2018</u>
11 a) Retained Earnings		
Opening Balance	34,269	14,241
Add: Profit / (Loss) for the year	607,889	770,028
Less: Interim Dividend to be distributed to Share holders	(536,500)	(750,000)
	<u>105,657</u>	<u>34,269</u>
ii) Other Reserves		
Securities premium reserve	1,145,660	1,145,660
General reserve	(51,637)	(51,637)
	<u>1,094,023</u>	<u>1,094,023</u>
Other Equity (Total)	<u>1,199,681</u>	<u>1,128,292</u>

VILA VIÑA PARTICIPACIONES S.L.

Notes to accounts

Note no	Particulars	Year ended March 2019 <small>(Amount in Euro)</small>	Year ended March 2018 <small>(Amount in Euro)</small>
17	Revenue from operations		
	a) Sale of services	214,800	200,130
	b) Other operating revenues		
	Technical service / other management fees	8,027	7,979
	Licensing fees	-	-
	Reimbursement of expenses	-	-
	Duty drawback and other export incentives	-	-
	Profit on sale of other materials	-	-
		222,827	208,109
18	Other Income		
	Interest income	80	1,010
	profit on sale of assets (net)	-	3,865
	Dividend Income	585,000	750,000
	Other non-operating income	-	360
		585,080	755,235
19	Employee benefits expense		
	Salaries and wages	114,540	113,035
	Contribution to provident and other funds	11,831	11,501
		126,371	124,536
20	Finance costs		
	Interest expense	2,140	3,272
	Other borrowing costs	229	1,356
		2,369	4,628
21	Depreciation and amortization expense		
	Tangible assets	7,644	8,082
	Intangible assets	-	33
		7,644	8,116
22	Other expenses		
	Travel expenses	1,035	560
	Consumables	2,861	2,653
	Legal and Professional charges	36,012	37,792
	Rent	4,982	1,648
	Repairs to machinery	17	492
	Insurance	4,321	4,403
	Rates and taxes	3,443	3,388
	Other expenses	-	118
		52,671	51,054
23	Tax expense		
	Current tax	10,963	4,984
		10,963	4,984
24	Earning per Share		
	Issued No of Equity shares	213,150	213,150
	Profit (Loss) for the year	607,889	770,026
	Basic Earning Per share	2.85	3.61
	Diluted Earning Per share	2.85	3.61

25 Segment Information

Segments have been identified taking into account the nature of services, the differing risks and returns, the organizational structure and the internal reporting system.

Primary Segment : Business Segment

The Company through its subsidiaries is primarily engaged in the business of manufacturing, trading and marketing of Pharmaceutical products. Considering the nature of the business and the financial reporting of the company, the company has only one business segment as the primary reportable segment.

All the activities of the company are in Spain.