

**CIAL. VILA VETERINARIA DE LLEIDA SL
BALANCE SHEET AS AT 31 MARCH 2018**

Particulars	Note No.	As at 31 Mar 2018 (Amount in Euro)	As at 31 March 2017 (Amount in Euro)
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	109.127	120.360
(b) Software Lisc Fees	4	62	137
(c) Financial Assets			
(i) Investments	5	713	713
(ii) Loans	6	572	572
(d) Deferred tax assets (net)	7	-	122
Non-current assets		110.475	121.905
2 Current assets			
(a) Inventories	8	261.927	227.011
(b) Financial Assets			
(i) Trade receivables	9	676.693	397.379
(ii) Cash and cash equivalents	10	122.071	282.890
(c) Other current assets	11	26.272	43.058
Current assets		1.086.963	950.338
Asset classified as held for sale		-	-
TOTAL ASSETS		1.197.437	1.072.243
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	12	9.000	9.000
(b) Other Equity	13		
Retained Earnings		48.660	135.834
Other Reserves		505.091	336.612
		562.750	481.446
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	14	(0)	5.751
(ii) Deferred tax Liability (net)	15	14.124	14.065
		14.124	19.816
3 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	16	576.426	513.285
(ii) Other financial liabilities	17	5.751	9.629
(b) Other current liabilities	18	9.197	9.216
(c) Current tax liabilities (Net)	19	29.189	38.851
		620.563	570.981
TOTAL EQUITY AND LIABILITIES		1.197.437	1.072.243

Significant Accounting Policies & Notes on Accounts

BOYÉ MONTERO Y ASOCIADOS
Auditors & Consultants

Place: Barcelona, Spain

Date: 17.05.2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



COVIVET

Eusebi Vila Viña
Director

Ramon Vila Viña
Director

CIAL. VILA VETERINARIA DE LLEIDA SL
PROFIT AND LOSS FOR THE PERIOD ENDED 31 MARCH 2018

Particulars		Note No	Quarter ended 31st Mar 2018 (Amount in Euro)	YTD ended 31st Mar 2018 (Amount in Euro)	YTD 1st July to 31 Mar 2017 (Amount in Euro)
(I)	Revenue From Operations	20	1.057.892	3.722.646	2.898.659
(II)	Other Income	21	3.055	8.735	17.376
(III)	Total Income (I+ II)		1.060.947	3.731.380	2.916.035
(IV)	EXPENSES				
	Cost of materials consumed	22	-	-	-
	Purchases of stock-in-trade	23	1.008.274	3.307.848	2.764.897
	Changes in inventories of finished goods and work-in-progress & intermediates	24	(59.579)	(34.916)	(227.011)
	Employee benefits expense	25	41.259	168.500	121.913
	Finance costs	26	202	1.221	1.434
	Depreciation and amortization expense	27	3.104	11.991	9.471
	Other expenses	28	21.879	128.251	66.117
	Total expenses (IV)		1.015.138	3.582.895	2.736.821
(V)	Profit before tax (I- IV)		45.808	148.485	179.214
(VI)	Exceptional items Profit/(Loss)	29	-	0	245
(VII)	Profit before tax (V-VI)		45.808	148.485	178.969
(VIII)	Tax expense:	30			
	(1) Current tax		11.310	37.000	42.967
	(2) Deferred tax		142	181	167
(IX)	Profit (Loss) for the period (VII-VIII)		34.356	111.303	135.835
(X)	Other Comprehensive Income				
(A)	(i) Items that will not be reclassified to profit or loss	-			
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-			
(B)	Items that will be reclassified to profit or loss	-			
	Re-measurement gain/(losses) on defined benefits plans		-	-	-
	Income tax effect		-	-	-
	Net (loss)/gain on FVTOCI equity securities		-	-	-
	Income tax effect		-	-	-
	Other comprehensive income for the year, net of taxes		-	-	-
(XI)	Total Comprehensive Income for the period (IX + X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		34.356	111.303	135.835
(XII)	Earnings per equity share:				
	(1) Basic				
	(2) Diluted				

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

Place : Barcelona, Spain
 Date : 07/06/2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



COVIVET

COMERCIAL VILA
 VETERINARIA DE LLEIDA, S.L.
 NIF: B25443797

Eusebi Vila Viña
 Director

Ramon Vila Viña
 Director

CIAL. VILA VETERINARIA DE LLEIDA SL

Notes to accounts

Note no	Particulars	As at 31 Mar 2018 (Amount in Euro)	As at 31 March 2017 (Amount in Euro)
Note 3	Property, plant and equipment		
	Freehold land	32.304	32.304
	Factory Building	47.243	51.263
	Furniture and fixtures	567	796
	Technical Installation	3.782	4.289
	Computers	924	801
	Plant and machinery	2.788	3.466
	Vehicles	21.519	27.441
		<u>109.127</u>	<u>120.360</u>
Note 4	Intangible assets		
	Software Lic Fees	62	137
		<u>62</u>	<u>137</u>
	Financial assets		
Note 5	Non-current Investments		
	Investments in equity instruments - Others	713	713
		<u>713</u>	<u>713</u>
Note 6	Financial assets - Long term loans and advances		
	Security Deposits	572	572
		<u>572</u>	<u>572</u>
Note 7	Deferred tax assets (net)		
	Others	-	122
		<u>-</u>	<u>122</u>
Note 8	Inventories		
	Finished goods	261.927	227.011
		<u>261.927</u>	<u>227.011</u>
	Financial Assets		
Note 9	Trade receivables		
	Aggregate amount of Trade and Other Receivables outstanding for		
	(a) Unsecured, considered good	714.747	402.166
	(b) Unsecured, considered doubtful	-	-
		<u>714.747</u>	<u>402.166</u>
	Less: Provision for doubtful debts	(38.054)	(4.787)
		<u>676.693</u>	<u>397.379</u>
		<u>676.693</u>	<u>397.379</u>
Note 10	Cash and cash equivalents		
	Cash on hand	329	533
	Balances with banks	-	-
	- In current accounts	121.742	282.358
		<u>122.071</u>	<u>282.890</u>

Note 11	Other current assets		
	Balances with government authorities	24.959	41.764
	Prepaid expenses	1.313	1.294
	Advance Income-Tax including tax deducted at source	-	-
		26.272	43.058
Note 12	Share capital		
	Equity share capital	9.000	9.000
		9.000	9.000
Note 13	a) Retained Earnings	135.835	
	Add: Profit /Loss for the year	111.303	135.835
	Transfer to General Reserve	(161.784)	
	Transfer to Capital Reserve	(6.694)	
	Lees: Dividend to VVP	(30.000)	
		48.660	135.835
	b) Reserves		
	i) Other Reserves		
	General reserve	491.744	329.960
	Capital reserve	11.546	4.852
	Legal Reserve	1.800	1.800
		505.091	336.612
	Other Equity (Total)	553.751	472.447
	General reserve movements		
	Opening	329.960	331.760
	Add: Transfer from Retained earnings	161.784	
	Closing	491.744	331.760
	Capital reserve Movements		
	Opening	4.852	4.852
	Add: Transfer from Retained earnings	6.694	
	Closing	11.546	4.852
Note 14	Non-current liabilities - Other financial liabilities		
	Finance lease obligation	(0)	5.751
		(0)	5.751
Note 15	Non-Current Liabilities - Deferred tax Liability		
	Deferred tax Liability (net) Others	14.124	14.065
		14.124	14.065
Note 16	Current - Financial liabilities		
	Trade payable	576.426	513.285
		576.426	513.285
Note 17	Current - Other financial liabilities		
	Payables on purchase of fixed assets	5.751	9.629
		5.751	9.629
Note 18	Other Current Liabilities		
	Other payables		
	(i) Statutory remittances	9.197	9.216
		9.197	9.216
Note 19	Current tax liabilities (Net)		
	Provision for taxation	29.189	38.851
	Withholding TAXES (Payable) / Recoverable	-	-
		29.189	38.851

CIAL. VILA VETERINARIA DE LLEIDA SL

Notes to accounts

Note no	Particulars	Quarter ended 31st Mar 2018 (Amount in Euro)	YTD ended 31st Mar 2018 (Amount in Euro)	YTD 1st July to 31 Mar 2017 (Amount in Euro)
Note 20	Revenue from operations			
	a) Sale of products	1.055.187	3.711.771	2.890.539
	b) Sale of services	2.705	10.874	8.120
		1.057.892	3.722.646	2.898.659
Note 21	Other Income			
	Interest income	-	-	4
	Dividend Income	-	29	7
	Other non-operating income	3.055	8.706	17.340
	Fair value gain on financial instruments at fair value through profit	-	-	26
		3.055	8.735	17.376
Note 22	Cost of materials consumed			
	Opening stock		-	-
	Add: Purchases			
	Less: Closing stock			
Note 23	Purchases of stock-in-trade			
	Purchases of stock-in-trade	1.008.274	3.307.848	2.764.897
		1.008.274	3.307.848	2.764.897
Note 24	Changes in inventories of finished goods and work-in-progress & intermediates			
	Opening stock			
	Work-in-progress and intermediates			-
	Finished goods	202.348	227.011	-
		202.348	227.011	-
	Closing stock			
	Work-in-progress and intermediates			-
	Finished goods	261.927	261.927	227.011
		261.927	261.927	227.011
	Net (increase) / decrease	(59.579)	(34.916)	(227.011)
Note 25	Employee benefits expense			
	Salaries and wages	31.489	128.847	93.506
	Contribution to provident and other funds	9.770	39.653	28.407
		41.259	168.500	121.913
Note 26	Finance costs			
	Interest expense	49	305	591
	Other borrowing costs	152	917	843
		202	1.221	1.434

Note 27	Depreciation and amortization expense			
	Tangible assets	3.086	11.916	9.404
	Intangible assets	19	75	67
		3.104	11.991	9.471
Note 28	Other expenses			
	Travel expenses	718	3.525	3.183
	Communication expenses	944	3.751	2.727
	Legal and Professional charges	7.578	31.402	20.865
	Freight and forwarding	2.428	5.045	-
	Power and fuel	3.691	15.245	9.780
	Rent	161	642	482
	Repairs to machinery	907	6.060	3.345
	Insurance	770	3.035	1.603
	Marketing Expenses	733	3.669	1.461
	Rates and taxes	895	3.588	2.697
	Loss on sale of assets (net)	-	-	2.205
	Bad loans and advances written off	38	42.431	15.559
	Other expenses	3.016	9.857	2.212
		21.879	128.251	66.117
Note 29	Exceptional items			
	Expenses related to acquisitions	-	-	-
	Others	-	0	245
		-	0	245
Note 30	Tax expense			
	Current tax	11.310	37.000	42.967
	Deferred tax	142	181	167
		11.452	37.182	43.134

COMERCIAL VILA VETERINARIA DE LLEIDA SL
Notes forming part of the financial statements

Note

1 Legal status and principal activities

Comercial Vila Veterinaria De Lleida SL ("The Company") incorporated in 1999, is related to Retail trade in non-food industrial products carried out in permanent establishments. Comercial Vila Veterinaria De Lleida SL is a company based in Calle gran (ptda. Llivia) in Lleida. Lerida, 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 Comercial Vila Veterinaria De Lleida SL ('the Company') have been prepared, in accordance 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 Vila Vina Participacions SL which is the holding company of Comercial Vila Veterinaria De Lleida SL.

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
Plant and Machinery	2 - 25
Technical Facilities	10 - 30
Technical Installations	2 - 15
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

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.

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.