

Bremer Pharma GmbH
BALANCE SHEET AS AT 31ST MARCH 2021

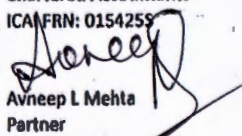
Particulars	Note No.	As at 31st Mar 2021 (Amount in Euro)	As at 31st Mar 2020 (Amount in Euro)
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	1,348,835	1,044,152
(b) Capital work in progress	3	221,013	481,460
(c) Other Intangible assets	4	180,015	112,487
(d) Deferred tax assets on leased assets	5	4,212	4,209
Non-current assets		1,754,075	1,642,309
2 Current assets			
(a) Inventories	6	1,593,012	1,774,533
(b) Financial Assets			
(i) Trade receivables	7	904,165	655,392
(ii) Cash and cash equivalents	8	27,531	46,487
(iii) Others	9	6,977	6,977
(c) Other current assets	10	75,166	96,209
Current assets		2,606,851	2,579,597
TOTAL ASSETS		4,360,926	4,221,906
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	11	730,000	480,000
(b) Other Equity	12	(2,028,311)	(359,483)
		(1,298,311)	120,517
3 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	13	114,589	225,961
		114,589	225,961
4 Current liabilities			
(a) Financial Liabilities			
(i) Short-term borrowings	14	3,741,364	2,480,371
(ii) Trade payables	15	1,234,433	1,099,228
(iii) Other financial liabilities	16	214,969	78,572
(b) Other current liabilities	17	223,864	87,120
(c) Provisions	18	130,018	130,137
		5,544,648	3,875,428
TOTAL EQUITY AND LIABILITIES		4,360,926	4,221,906

The accompanying notes are integral part of these financial statements

For Bremer Pharma GmbH
BREMER PHARMA GMBH
 Werksstraße 42 · 34414 Warburg
 P.O. Box 14 · 34408 Warburg

Holger Kiel
 Managing Director
 Place: Warburg, Germany
 Date: May 27, 2021

As per our report of event date
 For **M O J & ASSOCIATES**
 Chartered Accountants
 ICA FRN: 0154255


 Avneep L Mehta
 Partner
 Membership no: 225441
 Place: Bengaluru
 Date: May 27, 2021



Bremer Pharma GmbH
PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2021

	Particulars	Note No	Year ended 31st Mar 2021 (Amount in Euro)	Year ended 31st Mar 2021 (Amount in Euro)
(I)	Revenue From Operations	19	4,976,043	6,284,695
(II)	Other Income	20	11,630	485
(III)	Total Income (I+ II)		4,987,673	6,285,180
(IV)	EXPENSES			
	Cost of materials consumed	21	2,038,353	2,853,385
	Purchases of stock-in-trade	22	280,501	295,190
	Changes in Inventories of finished goods and work-in-progress & intermediates	23	100,176	(242,451)
	Employee benefits expense	24	2,156,603	2,208,940
	Finance costs	25	105,980	84,698
	Depreciation and amortization expense	26	270,447	212,992
	Other expenses	27	1,704,444	1,643,844
	Total expenses (IV)		6,656,504	7,056,597
(V)	Profit before tax (III- IV)		(1,668,831)	(771,417)
(VI)	Tax expense:	28		
	(1) Current tax			-
	(2) Deferred tax		(3)	(108)
(VII)	Profit (Loss) for the period (V-VI)		(1,668,828)	(771,310)
(VIII)	Other comprehensive income for the year, net of taxes		-	-
(IX)	Total Comprehensive Income for the period (VII + VIII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(1,668,828)	(771,310)

For Bremer Pharma GmbH

BREMER PHARMA GMBH
Werkstraße 42, 34414 Warburg
P.O. Box 14, 34408 Warburg

Holger Kiel
Managing Director
Place: Warburg, Germany
Date: May 27, 2021

As per our report of event date

For M O J & ASSOCIATES
Chartered Accountants
ICAI FRN: 0154255

(Signature)
Anveep L Mehta
Partner
Membership no. 225441
Place: Bengaluru
Date: May 27, 2021



Bremer Pharma GmbH		
Cash Flow Statement for the period ended As at 31 March 2021		
Particulars		
	As at 31 March 2021	As at 31 March 2020
A Cash flows from operating activities:		
Profit before tax	(1,668,831)	(771,417)
Adjustments for:	-	-
Depreciation, Impairment and Amortisation	270,447	212,992
Loss on sale of asset	2	-
Interest expenses	105,980	46,083
Total	376,429	259,075
Operating profit before working capital changes	(1,292,402)	(512,342)
Adjustments for:	-	-
Change in trade receivables	(248,773)	222,108
Change in Inventories	181,521	(327,078)
Change in other current assets	21,043	24,299
Change in trade payables	135,205	126,209
Change in other current liabilities	273,022	(31,348)
Change in other Non Current Liabilities	(111,372)	(76,871)
Total	250,646	(62,681)
Cash generated from / (used in) operations	(1,041,756)	(575,023)
Net cash from operating activities	(1,041,756)	(575,023)
B Cash flows from Investing activities:		
Purchase of property, plant and equipments	(382,213)	(600,802)
Share capital infusion	250,000	-
Net cash used in Investing activities	(132,213)	(600,802)
C Cash flows from financing activities:		
Short Term Borrowings (Net)	1,260,993	937,957
Interest paid	(105,980)	(46,083)
Net cash used in financing activities	1,155,013	891,874
Net Increase in cash and cash equivalents	(18,956)	(283,951)
Cash and cash equivalents at the beginning of the year	46,487	330,438
Cash and cash equivalents at the end of the year	27,531	46,487
Reconciliation of cash and cash equivalents with the Balance sheet		
Cash on Hand	643	1,391
Balance with banks	26,888	45,096
Cash and Cash equivalents as per balance sheet (Refer note B)	27,531	46,487
<p>For Bremer Pharma GmbH</p> <p>BREMER PHARMA GMBH Werkstraße 12 34414 Warburg P.O. Box 14 34408 Warburg</p> <p>Holger Kiel Managing Director Place: Warburg, Germany Date: May 27, 2021</p>		
<p>As per our report of event date</p> <p>For M O J & ASSOCIATES Chartered Accountants ICAI FRN: 015425S</p> <p><i>Avneep L Mehta</i> Avneep L Mehta Partner Membership no. 225441 Place: Bengaluru Date: May 27, 2021</p>		



Bremer Pharma GmbH

Statement of Changes in Equity (SOCIE) for the year ended 31 March 2021

Amounts in Euros (€) unless otherwise stated

	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	Amount	No. of Shares	Amount
(a) Share capital				
Balance at the beginning of the reporting year	3	480,000	3	480,000
Changes in equity share capital during the year	1	250,000	-	-
Balance at the end of the reporting year	4	730,000	3	480,000

(b) Other Equity

Particulars	Reserves and Surplus			Total
	General reserve	Securities Premium	Retained Earnings	
Balance at 01 April 2019	(3,477,745)	4,105,075	(193,729)	493,601
Profit for the year	-	-	(771,310)	(771,310)
Initial impact of leased assets	-	-	(25,875)	(25,875)
Deferred tax impact of leased assets	-	-	4,101	4,101
Balance at 31 March 2020	(3,477,745)	4,105,075	(986,813)	(359,483)
Profit for the year	-	-	(1,668,828)	(1,668,828)
Balance at 31 March 2021	(3,477,745)	4,105,075	(2,655,641)	(2,028,311)

The accompanying notes are an integral part of the financial statements.

For Bremer Pharma GmbH
BREMER PHARMA GMBH
 Werkstraße 42/54414 Warburg
 P.O. Box 14 - 34408 Warburg

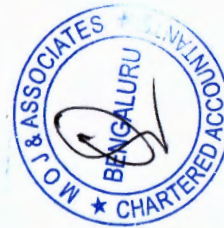
Holger Kiel
 Managing Director
 Place: Warburg, Germany
 Date: May 27, 2021

As per our report of event date

For M O J & ASSOCIATES
 Chartered Accountants
 ICAN FRN: 0154255

Arneep L Mehta
 Partner

Membership no. 225441
 Place: Bengaluru
 Date: May 27, 2021



Bremer Pharma GmbH

Notes forming part of the financial statements for the year ended 31 March 2021

Note

1 Legal status and principal activities

Bremer Pharma GmbH is a limited liability company having its registered office in Warburg, Germany. The company is mainly into manufacturing, packing, promotion, acquisition, sale, marketing and the distribution of chemical-pharmaceutical products as well as activities in connection, therewith, including finished formulation products relating to animal health and veterinary products in Germany and abroad.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

Bremer Pharma GmbH's annual financial statement as of March 31st, 2020 was drawn up pursuant to section 242 et seqq. and section 264 et seqq. HGB. According to section 264 subsection 1 vs. section 267 subsection 1 HGB regulations for small capital companies apply.

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)
Factory Buildings	12, 25 & 50 Years
Furniture & Fixtures	13 Years
Computers	3 Years
Plant & Machineries	5, 8 & 10 Years
Vehicles	8 Years
Marketing Authorisations	2 to 10 Years

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 such reversal is not recognised.

2.4 Inventory

Inventories comprises of 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.



2.5 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 of goods which generally coincides with dispatch. Sales 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.

2.6 Employee benefits

Short term employee benefits are accrued based on the terms of employment when services are rendered by the employees and charged as an expense to the statement of profit and loss.

Leave balances standing to the credit of the employees that are expected to be availed in the short term are provided for on full cost basis.

2.7 Foreign currency transactions

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the Balance Sheet date

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the period-end rates. Non monetary items of the Company are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the period.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the statement of profit and loss.

2.8 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.

2.9 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.

2.10 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.

2.11 Use of estimates

The preparation of the financial statements in conformity with the Accounting Standards generally accepted in India requires that the Management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Management believes that the estimates used in preparation of financial statement are prudent and reasonable. Actual results could differ from those estimates and the estimates are recognised in the period in which the results are known/materialise.



2.12 Segment

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

2.13 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.

2.13 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.

2.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities are segregated based on the available information.

2.14 Cash and cash equivalents (for purposes of cash flow statement)

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.15 Leases

Ind AS 116 supersedes Ind AS 17 Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 01 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. The Right of Use asset are depreciated on a straight - line basis over the lease term.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics,
- Relied on its assessment of whether leases are onerous immediately before the date of initial application,
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application,
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application,
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

2.16 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.



Bremer Pharma GmbH
Notes to the financial statements for the year ended 31 March 2021
Amounts in Euros (€) unless otherwise stated

Notes3 Property, Plant and Equipment, ROU Assets & CWIP	As at 31st March 2021	As at 31st March 2020
Carrying amount of:		
Buildings	156,759	206,749
Furniture and fixtures	11,827	14,165
Freehold land	87,612	87,612
Office equipments	100,540	110,824
Plant and machinery	867,574	382,535
Vehicles	2,697	3,845
Right-of-use assets (ROU)		
Building	90,597	189,215
Computer	2,756	3,675
Vehicles	12,708	27,796
Plant and machinery	15,765	17,736
CWIP	221,013	481,460
Total	1,569,848	1,525,613

Cost	Building	Furniture and fixtures	Freehold Land	Office equipments	Plant and machinery	Vehicles	ROU - Building	ROU - Computer	ROU - Vehicles	ROU - Plant & Mach.	Total
Balance as on 01 April 2019	1,718,331	100,911	87,612	455,260	3,907,344	7,844	210,239	4,593	42,417	19,706	6,554,259
Assets Acquired	-	2,525	-	106,543	12,393	3,850	-	-	-	-	190,111
Balance as on 31 March 2020	1,718,331	103,436	87,612	561,803	3,919,737	11,694	210,239	4,593	42,417	19,706	6,884,370
Assets Acquired	-	4,173	-	33,207	608,656	-	-	-	-	-	646,035
Disposal	-	-	-	-	-	-	-96,994	-	-	-	-96,994
Balance as on 31 March 2021	1,718,331	112,609	87,612	594,810	4,528,393	11,694	113,246	4,593	42,417	19,706	7,233,412

Particulars	Building	Furniture and fixtures	Freehold Land	Office equipments	Plant and machinery	Vehicles	ROU - Building	ROU - Computer	ROU - Vehicles	ROU - Plant & Mach.	Total
Accumulated Depreciation and Impairment											
Balance as on 01 April 2019	1,461,592	86,444	-	439,341	3,446,506	6,483	21,024	919	14,621	1,971	5,478,900
Depreciation/ Amortisation for the year	7,827	7,827	-	11,438	90,697	1,366	-	-	-	-	161,318
Balance as on 31 March 2020	1,511,582	94,271	-	450,779	3,537,202	7,849	21,024	919	14,621	1,971	5,640,218
Depreciation/ Amortisation for the year	49,990	6,511	-	43,491	123,617	1,148	15,366	919	15,088	1,971	258,100
Disposal	-	-	-	-	-	-	-13,741	-	-	-	-13,741
Balance as on 31 March 2021	1,561,572	100,782	-	494,270	3,660,819	8,997	22,649	1,838	29,709	3,942	5,894,577

Particulars	Building	Furniture and fixtures	Freehold Land	Office equipments	Plant and machinery	Vehicles	ROU - Building	ROU - Computer	ROU - Vehicles	ROU - Plant & Mach.	Total
Carrying amount											
Balance as on 31st March 2020	206,749	14,165	87,612	110,824	382,535	3,845	189,215	3,675	27,796	17,736	1,044,152
Balance as on 31st March 2021	156,759	11,827	87,612	100,540	867,574	2,697	90,597	2,756	12,709	15,765	1,348,835



Bremer Pharma GmbH

Notes to the financial statements for the year ended 31 March 2021
Amounts in Euros (€) unless otherwise stated

Note 4: Other Intangible assets	As at 31st March 2021	As at 31st March 2020
Registration fees	127,167	112,407
Acquired software	52,847	79
Brand	1	1
Total	180,015	112,487

Particulars	Registration fees	Acquired software	Brand	Total
Cost or Deemed Cost				
Balance as on 01st April 2019	410,551	79,571	40,000	530,122
Assets Acquired	9,218	-	-	9,218
Balance as on 31st March 2020	419,769	79,571	40,000	539,340
Assets Acquired	24,024	55,852	-	79,876
Balance as on 31st March 2021	443,793	135,422	40,000	619,216

Particulars	Registration fees	Acquired software	Brand	Total
Accumulated Depreciation and Impairment				
Balance as on 01st April 2019	295,037	78,609	39,999	413,645
Depreciation/ Amortisation for the year	12,324	883	-	13,207
Balance as on 31st March 2020	307,362	79,492	39,999	426,852
Depreciation/ Amortisation for the year	9,265	3,084	-	12,349
Balance as on 31st March 2021	316,627	82,575	39,999	439,201

Particulars	Registration fees	Acquired software	Brand	Total
Carrying amount				
Balance as on 31st March 2020	112,407	79	1	112,487
Balance as on 31st March 2021	127,167	52,847	1	180,015



Note 5	Deferred tax assets on leased assets	As at	As at
		31 March 2021	31 March 2020
	On account of IND AS 116	4,212	4,209
		4,212	4,209

Note 6	Inventories	As at	As at
		31 March 2021	31 March 2020
	Raw materials and packing materials	1,083,489	1,164,834
		1,083,489	1,164,834
	Finished goods	461,612	578,454
	Stock-in-trade	47,910	31,245
	Total	1,593,012	1,774,533

Note:
During the year ended 31 March 2021, EUR 20241.74 (31 March 2020 : NIL) was recognised as an expense towards provision for slow moving, expired and near expiry inventories.



Note no	Particulars	As at 31st Mar 2021 (Amount in Euro)	As at 31st Mar 2020 (Amount in Euro)
Note 7	Trade receivables		
	Aggregate amount of Trade and Other Receivables outstanding for a period exceeding six months from the date they are due for payment should be separately stated.		
	(a) Unsecured, considered good	-	-
	(b) Unsecured, considered doubtful	31,686	31,857
		31,686	31,857
	Less: Provision for doubtful debts	(31,686)	(25,130)
		-	6,728
	Other Debts		
	Secured		
	(a) Unsecured, considered good	904,165	648,664
	(b) Considered Doubtfull	7,060	4,121
		911,225	652,785
	Less: Provision for doubtful debts	(7,060)	(4,121)
		904,165	655,392
Note 8	Cash and cash equivalents		
	Cash on hand	643	1,391
	- In current accounts	26,888	45,096
		27,531	46,487
Note 9	Other current financial assets		
	Claims receivable	6,977	6,977
		6,977	6,977
Note 10	Other current assets		
	Advance to supplier	-	32,878
	Balances with government authorities	13,992	38,217
	Prepaid expenses	60,166	18,325
	Advance recoverable In cash or kind	1,009	6,790
		75,166	96,209



Bremer Pharma GmbH
 Notes to the financial statements for the period ended 31 Mar 2021
 All amounts are in EUR unless otherwise stated

11 Capital Contribution

(i) Reconciliation of the number of shares and amount outstanding

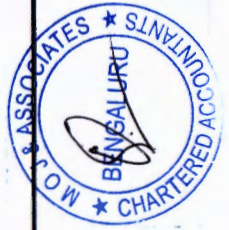
	No. of Shares	Share capital
Shareholder Capital	3	480,000
Shareholder Capital as of March 31,2019	-	-
Add: Contribution during the year	3	480,000
Shareholder Capital as of March 31,2020	1	250,000
Add: Contribution during the year	4	730,000
Shareholder Capital as of March 31,2021		

(ii) Details of shares held by holding company

	As at 31 March 2021		As at 31 March 2020	
Name of the shareholder	No. of shares held	% of holding	No. of shares held	% of holding
Alivira Animal Health Limited, Ireland	4	100%	3	100%

(iii) Details of voting held by each shareholder holding more than 5%

	As at 31 March 2021		As at 31 March 2020	
Name of the shareholder	No. of shares held	% of holding	No. of shares held	% of holding
Alivira Animal Health Limited, Ireland	4	100%	3	100%



Note 12	a) Retained Earnings	(986,813)	(193,729)
	Add: Loss for the year	(1,668,828)	(771,310)
	Ind AS 116-Leases Impact	-	(25,875)
	Deferred Tax on Leases	-	4,101
		(2,655,641)	(986,813)
	ii) Other Reserves		
	Securities premium reserve	4,105,075	4,105,075
	General reserve	(3,477,745)	(3,477,745)
		627,330	627,330
	Other Equity (Total)	(2,028,311)	(359,483)
Note 13	Non-current liabilities - Other financial liabilities		
	Lease obligation	114,589	225,961
		114,589	225,961
Note 14	Current Liabilities- Financial Liabilities - Short term borrowings		
	(a) Loans repayable on demand		
	From banks		
	1. Secured	442,788	212,148
	(b) Loan from Related parties		
	Unsecured	3,298,576	2,268,223
		3,741,364	2,480,371
	Secured Loan taken from CITI bank @2.5% fixed interest rate with SBLC provided by Alivira Animal Health Limited, India.		
Note 15	Current - Financial liabilities		
	Trade payable	823,425	984,580
	Trade payable - Related Parties	411,008	114,648
		1,234,433	1,099,228
Note 16	Current - Other financial liabilities		
	Payables on purchase of fixed assets	186,175	34,996
	Lease Obligation	22,411	39,016
	Other current liabilities	6,384	4,560
		214,969	78,572
Note 17	Other Current Liabilities		
	Other payables		
	(i) Statutory remittances	19,402	25,088
	(ii) Advances from customers	204,462	62,032
		223,864	87,120
Note 18	Short term provisions		
	(a) Provision for employee benefits	120,117	117,682
	(b) Provision for Product Expiry	9,901	12,455
		130,018	130,137



Note no	Particulars	Year ended	Year ended
		31 Mar 2021	31 Mar 2021
		(Amount in Euro)	(Amount in Euro)
Note 19	Revenue from operations		
	a) Sale of products	4,949,216	6,273,988
	d) Other operating revenues	26,827	10,708
		4,976,043	6,284,695
	Gross Sales	5,049,124	6,304,638
	Sales return & commission	(99,907)	(30,650)
	Total sale of products	4,949,216	6,273,988
Note 20	Other Income		
	Other non-operating income	11,630	485
		11,630	485
Note 21	Cost of materials consumed		
	Opening stock	1,164,834	1,080,208
	Add: Purchases	1,957,008	2,938,011
	Less: Closing stock	1,083,489	1,164,834
		2,038,353	2,853,385
Note 22	Purchases of stock-in-trade		
	Purchases of stock-in-trade	280,501	295,190
		280,501	295,190
Note 23	Changes in inventories of finished goods and work-in-progress & Intermediates		
	Opening stock		
	Finished goods	609,699	367,247
		609,699	367,247
	Closing stock		
	Finished goods	509,523	609,699
		509,523	609,699
	Net (increase) / decrease	100,176	(242,451)
Note 24	Employee benefits expense		
	Salaries and wages	1,776,780	1,833,104
	Contribution to provident and other funds	349,320	363,374
	Staff welfare expenses	30,503	12,462
		2,156,603	2,208,940
Note 25	Finance costs		
	Interest expense	59,506	37,943
	Finance Cost on Leases	5,784	8,140
	Other finance expenses	40,690	38,615
		105,980	84,698



Note 26	Depreciation and amortization expense		
	Tangible assets	224,754	161,251
	Depreciation on Lease Asset	33,343	38,534
	Intangible assets	12,349	13,207
		270,447	212,992
Note 27	Other expenses		
	Travel expenses	21,826	39,277
	Consumables	5,787	9,297
	Conversion and processing charges	72,189	79,602
	Legal and Professional charges	180,417	173,794
	Freight and forwarding	221,822	238,126
	Power and fuel	261,507	270,538
	Rent	8,750	6,643
	Repairs to machinery	249,560	163,678
	Repairs to others	26,825	10,082
	Insurance	46,705	46,175
	Commission on sales	10,072	11,367
	Advertisement and selling expenses	-	878
	Marketing Expenses	28,846	45,448
	Rates and taxes	6,628	5,501
	Loss on sale of assets (net)	2	-
	Bad trade receivables written off	-	3,109
	Net loss on foreign currency transactions and translation	-	18,837
	Provision for doubtful trade receivables	9,496	(3,090)
	Other expenses	554,013	524,581
		1,704,444	1,643,844
Note 28	Tax expense		
	Deferred tax	(3)	(108)
		(3)	(108)



Bremer Pharma GmbH

Notes to the financial statements for the year ended 31 March 2021

Amounts in Euros (€) unless otherwise stated

29 Contingent liabilities and commitments

There are no contingent liability and commitments as at 31 March 2021. (31 March 2020 - Nil)



Bremer Pharma GmbH

Notes to the financial statements for the year ended 31 March, 2021

Amounts in Euros (€) unless otherwise stated

30 Leases

Detailed list and movement of the assets (Refer note 3)

Set out below are the carrying amounts of lease liabilities (included under Non current & Current other financial liabilities) and the movements during the period:

	2021	2020
As at 1 April	264,977	302,832
Accretion of interest	5,784	8,140
Payments	(133,762)	(45,995)
As at 31 March	<u>136,999</u>	<u>264,977</u>
Current	22,411	39,016
Non-current	114,589	225,961

The effective interest rate for lease liabilities is 3.0 %.

The following are the amounts recognised in profit or loss:

	2021	2020
Depreciation expense of right-of-use assets	33,343	38,534
Interest expense on lease liabilities	5,784	8,140
Other income	(11,399)	-
Total amount recognised in profit or loss	<u>27,728</u>	<u>46,674</u>

Maturity Analysis of Lease (Refer Note 33.3)

Impact on the statement of cash flows Increase / (decrease)

	2021	2020
Payment of principal portion of lease liabilities	(127,978)	(37,855)
Payment of Interest portion of lease liabilities	(5,784)	(8,140)
Net cash flows from financing activities	<u>(133,762)</u>	<u>(45,995)</u>



31. Segment Reporting

A. Primary segment (Business segment)

The Company is mainly engaged in the business of pharmaceuticals. Considering the nature of business and financial reporting of The Company, The Company has only one business segment viz; pharmaceuticals as primary reportable segment.

B. Secondary segment (Geographical segment)

The Company operates in three principal geographic location.

- (i) Europe
- (ii) Asia
- (iii) Rest of the world

	Year ended 31 March 2021	Year ended 31 March 2020
I Revenue from operations		
Europe	1,915,921	1,676,974
Asia	1,793,894	3,305,206
Rest of the world	1,254,239	1,302,515
Total	4,964,054	6,284,695
II Total assets		
Europe	3,848,866	3,728,111
Asia	205,099	249,562
Rest of the world	302,750	240,025
Total segment assets	4,356,714	4,217,697
Unallocated (*)	4,212	4,209
Total	4,360,926	4,221,906



32 Financial instruments

The carrying value / fair value of financial instruments by categories are as follows:

	Carrying value and fair value	
	31 March 2021	31 March 2020
Financial assets		
Measured at amortised cost		
Trade receivables	904,165	655,392
Cash and cash equivalents	27,531	46,487
Other financial assets	6,977	6,977
Total	938,673	708,855
Financial liabilities		
Measured at amortised cost		
Borrowings (including current maturity of long-term borrowings)	3,741,364	2,480,371
Trade payables	1,234,433	1,099,228
Other financial liabilities	329,558	304,533
Total	5,305,355	3,884,132



32.1

Financial risk management objective and policies

The Company's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance The Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and deposits that derive directly from its operations.

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about The Company's exposure to each of the above risks, The Company's objectives, policies and processes for measuring and managing risk, and The Company's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Risk management framework

The Company's activities makes it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on The Company's financial performance.

32.2

Credit risk

Credit risk is the risk of financial loss to The Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to The Company. Credit risk arises principally from trade receivables. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to customers, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company monitors the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies.

The Company's trade and other receivables are actively monitored to review creditworthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

Given below is ageing of trade receivable spread by period of six months:

Outstanding for more than 6 months	31 March 2021	31 March 2020
Others	904,165	655,392
Total	<u>904,165</u>	<u>655,392</u>

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by The Company, and incorporates this information into its credit risk controls.

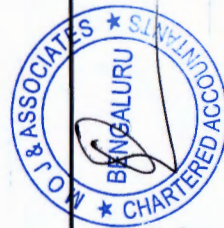
The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and where appropriate, credit guarantee insurance cover is purchased for export customers.

The Company's exposure to customers is diversified and more than one customer contributes to more than 10% of total revenue and outstanding trade receivables as at 31 March 2021 and 31 March 2020.

31st March 2021 - 2 customers (Revenue for the year EUR 1,554,716, Receivable as on 31st March 2021 EUR 234,179)

31st March 2020 - 2 customers (Revenue for the year EUR 1,677,008, Receivable as on 31st March 2020 EUR 51,024)



32.3

Liquidity risk

Liquidity risk is the risk that The Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to The Company reputation.

The Company has an appropriate liquidity risk management framework for the management of short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company's treasury department is responsible for managing the short-term and long-term liquidity requirements of The Company. Short-term liquidity situation is reviewed daily by treasury. Long-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically, The Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2021 and 31 March 2020:

Particulars	As at 31 March 2021			Total
	Less than 1 year	1-2 years	2 years and above	
Borrowings (including current maturity of long-term borrowings and judicial recovery)	3,741,364	-	-	3,741,364
Trade payables	1,234,433	-	-	1,234,433
Lease Liability	22,411	20,108	94,481	136,999
Other financial liabilities	192,559	-	-	192,559
Particulars	As at 31 March 2020			Total
	Less than 1 year	1-2 years	2 years and above	
Borrowings (including current maturity of long-term borrowings and judicial recovery)	2,480,371	-	-	2,480,371
Trade payables	1,099,228	-	-	1,099,228
Lease Liability	39,016	32,400	193,561	264,977
Other financial liabilities	39,556	-	-	39,556



32.4

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect The Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company is exposed to interest rate risk arises mainly from debt. The Company is exposed to interest rate risk because the fair value of fixed rate borrowings and the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

The Company is also exposed to foreign currency risk on certain transactions that are denominated in a currency other than The Company's functional currency; hence exposures to exchange rate fluctuations arise. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposures.

Foreign currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to The Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales.

a) Foreign currency risk exposure from financial instruments are given below

Foreign currency	31 March 2021		31 March 2020	
	Receivables / (payables)	Receivables / (payables) in foreign currency	Receivables / (payables)	Receivables / (payables) in foreign currency
USD - Receivable	-	-	170	194
USD - Payable	(201,913)	(242,502)	(319,493)	(349,827)
Net exposure	(201,913)	(242,502)	(319,323)	

b) Foreign currency sensitivity analysis

The Company is mainly exposed to currency fluctuation of USD.

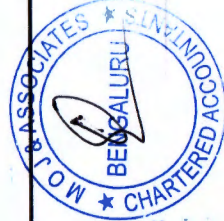
The following table details The Company's sensitivity to a 10% increase and decrease in the USD against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for 10% change in foreign currency rates. A positive numbers below indicates an increase in profit or equity where the EUR strengthens 10% against the USD. For a 10% weakening of the EUR against the USD, there would be a comparable impact on the profit or equity, and the balance below would be negative.

Impact on profit or loss and total equity
31 March 2021 31 March 2020

10% decrease in foreign currency
Currency of U.S.A (USD) (20,191) (31,932)

10% increase in foreign currency
Currency of U.S.A (USD) 20,191 31,932

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.



Capital management

For the purpose of The Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity share holders of The Company. The primary objective of The Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, The Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents

In order to achieve this overall objective, The Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. As at 31 March 2021, there is no breach of covenant attached to the borrowings.

The Company manages its capital to ensure that entities in The Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of The Company consists of net debt (offset by cash and bank balances) and total equity of The Company.

The Company's gearing ratio at end of each reporting year is as follows:

	31 March 2021	31 March 2020
Debt (i)	3,741,364	2,480,371
Cash and bank balances (ii)	27,531	46,487
Net debt [(i) - { (ii)+(iii)+(iv) }]	<u>3,713,833</u>	<u>2,433,884</u>
Equity attributable to owners of the Company	(1,298,311)	120,517
Gearing ratio	<u>0.00%</u>	<u>more than 100%</u>

(i) Debt is defined as long-term (including current maturity on long-term borrowings), short-term borrowings.

(ii) Other bank balance exclude the bank balance towards unpaid dividend.

(iii) Gearing ratio : Net debt / Equity.



Bremer Pharma GmbH
Notes to the financial statements for the year ended 31 March, 2021
Amounts in Euros (€) unless otherwise stated

34 Related Party Disclosures:

A List of related parties:

i) Holding company:

Alvira Animal Health Limited, Ireland
Alvira Animal Health Limited, India (Holding company of Alvira Animal Health Limited, Ireland)
Sequent Scientific Limited, India (Ultimate Holding Company)

ii) Fellow subsidiary:

Laboratorios Karlzoo S.A
Sequent Research Limited

iii) Key Management Personnel

Holger Kiel - Managing Director

A. Transaction during the period

Nature of Transactions	Holding Company		Key Management Personnel		Fellow Subsidiary	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
(i) Sale of material/services Laboratorios Karlzoo S.A Alvira Animal Health Limited, Ireland	237,415	72,550				6,337
(ii) Professional/ Support Charges Alvira Animal Health Limited, Ireland Laboratorios Karlzoo S.A	117,836	75,600			7,540	11,612
(iii) Managerial remuneration Holger Kiel			103,850	105,059		
(iv) Loan Taken during the year Alvira Animal Health Limited, Ireland	980,000	708,764				
(v) Purchase of Fixed assets Sequent Research Limited					35,293	
(vi) Purchase of Goods Alvira Animal Health Limited, India Laboratorios Karlzoo S.A Alvira Animal Health Limited, Ireland	89,084 175,425	128,803				9,186

B. Balance as at balance sheet date:

Nature of Transactions	Holding Company		Key Management Personnel		Fellow Subsidiary	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
(i) Receivable Balance Alvira Animal Health Limited, Ireland	80,717					
(ii) Payable balance Alvira Animal Health Limited, India Alvira Animal Health Limited, Ireland Sequent Research Limited Laboratorios Karlzoo S.A	66,707 341,632	54,225 60,771			35,293 7,579	7,762
(iii) Loan Outstanding Alvira Animal Health Limited, Ireland	3,298,576	2,268,223				

For Bremer Pharma GmbH

BREMER PHARMA GMBH
Werkstraße 42 (34414) Warburg
P.O. Box 14 • 34408 Warburg

Holger Kiel
Managing Director
Place: Warburg, Germany
Date: May 27, 2021

As per our report of event date

For M O J & ASSOCIATES

Chartered Accountants

ICAI FRN: 0154255

Anirup L Mehta

Partner

Membership no. 225441

Place: Bengaluru

Date: May 27, 2021

