




LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)

Balance Sheet As At 31st March 2023

All amounts are in Mexican Peso

Particulars	Notes	As at 31st Mar 2023	As at 31st Mar 2022
A ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	5,479,239	6,801,159
(b) Financial Assets			
(i) Others	4	169,885	142,558
(c) Deferred tax assets (net)	5	60,675	59,850
(d) Other non-current assets	6	355,736	307,037
Total non-current assets		6,065,534	7,310,604
2. Current assets			
(a) Inventories	7	20,128,127	23,400,950
(b) Financial Assets			
(i) Trade receivables	8	8,966,907	9,930,446
(ii) Cash and cash equivalents	9	3,712,660	2,812,163
(c) Other current assets	10	4,694,963	1,204,428
Total current assets		37,502,656	37,347,987
Total assets		43,568,190	44,658,592
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	11	6,110,000	6,110,000
(b) Other Equity		11,869,017	8,707,855
Total equity		17,979,017	14,817,855
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	27	4,258,986	5,243,739
		4,258,986	5,243,739
3 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	12	19,970,307	23,110,925
(ii) Lease Liabilities	27	984,753	1,165,304
(b) Other current liabilities	13	79,307	95,316
(c) Current tax liabilities (Net)	17	295,820	225,452
Total current Liabilities		21,330,187	24,596,997
TOTAL EQUITY AND LIABILITIES		43,568,190	44,658,592

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

As per our report of event date	FOR AND ON BEHALF OF THE BOARD OF DIRECTORS	
HLB LEÓN TELLO GARCÍA Y ASOCIADOS, S.C.		
Auditors & Consultants		
		
Place : Queretaro, Mexico	LABORATORIOS KARIZOO S.A. DE C.V.	Eusebi Vila Viña
Date : May 1, 2023	AV. FUENTES No. 70, BODEGA 5	Director
	PARQUE INDUSTRIAL FINSA	Ramon Vila Viña
	EL MARQUES, QUERETARO C.P. 76246	Director
	RFC: LKA031602810	
	TEL: 442 962 09 47 , 48, 49	

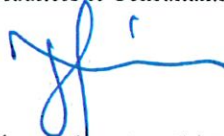
LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)
Profit And Loss for the Year Ended 31st March 2023
All amounts are in Mexican Peso

Particulars		Notes	Year ended 31 Mar 2023	Year ended 31 Mar 2022
I	Revenue From Operations	14	85,277,044	74,522,953
II	Other Income	15	1,130,415	805,703
III	Total Income (I+ II)		86,407,459	75,328,655
IV	EXPENSES			
(a)	Cost of materials consumed	16	62,872,061	59,805,997
(b)	Changes in inventories of finished goods and work-in-progress & intermediates	17	(187,323)	(7,566,889)
(c)	Employee benefits expense	18	7,843,371	7,475,600
(d)	Finance costs	19	154,739	248,562
(e)	Depreciation and amortization expense	20	1,388,053	1,586,186
(f)	Other expenses	21	13,603,036	12,412,312
	Total expenses (IV)		85,673,938	73,961,767
V	Profit/(loss) before tax		733,521	1,366,888
VI	Tax expense	22		
	Current tax		(29,829)	898,895
	Deferred tax		(824)	(4,920)
	Total tax expenses		(30,653)	893,975
VII	Profit after tax		764,174	472,914
VIII	Earnings per equity share:	23		
	(1) Basic		125.27	77.53
	(2) Diluted		125.27	77.53

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

As per our report of event date

HLB LEÓN TELLO GARCÍA Y ASOCIADOS, S.C. FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
Auditors & Consultants


Place : Queretaro, Mexico
Date : May 1, 2023

LABORATORIOS KARIZOO S.A. DE C.V.
AV. FUENTES No. 70, BODEGA 5
PARQUE INDUSTRIAL FINSA
EL MARQUES, QUERETARO C.P. 76246
RFC: LKA0310028LO
TEL: 442 962 09 47 , 48, 49



Eusebi Vila Viña **Ramon Vila Viña**
Director **Director**

LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)
Notes to the financial statements for the Year ended 31st March 2023
All amounts are in Mexican Peso unless otherwise stated

11 (a) Equity share capital	As at 31st Mar 2023		As at 31st Mar 2022	
	No. of Shares	Amount	No. of Shares	Amount
(i) Authorised Share Capital 6110 share of Peso 1000 each	6,100	6,110,000	6,100	6,110,000
(ii) Issued Share Capital 6110 share of Peso 1000 each	6,100	6,110,000	6,100	6,110,000
	<u>6,100</u>	<u>6,110,000</u>	<u>6,100</u>	<u>6,110,000</u>

Notes :

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

	As at 31st Mar 2023		As at 31st Mar 2022	
	No. of Shares	Amount	No. of Shares	Amount
No. Equity shares	6,110	6,110,000	6,110	6,110,000
Add : Shares issued during the period	-	-	-	-
Shares outstanding at the end of the period	<u>6,110</u>	<u>6,110,000</u>	<u>6,110</u>	<u>6,110,000</u>

(ii) Terms / 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

Name of Share Holders	As at 31st Mar 2023		As at 31st Mar 2022	
	No. of Shares	% holding	No. of Shares	% holding
Vila Viña Participacions S.L.	3,055	50%	3,055	50%
Laboratorios Karizoo, S.A.	3,055	50%	3,055	50%

(b) Other Equity

	As at 31st Mar 2023			As at 31st Mar 2022		
	Retained Earnings	General reserve	Total	Retained Earnings	General reserve	Total
Balance at the beginning of the reporting year	11,628,523	(2,920,667)	8,707,855	11,155,609	(2,920,667)	8,234,941
Add: Profit / (Loss) for the year	764,174	-	764,174	472,914	-	472,914
Add: Others	2,396,988	-	2,396,988	-	-	-
Balance at the end of the reporting year	<u>14,789,684</u>	<u>(2,920,667)</u>	<u>11,869,017</u>	<u>11,628,523</u>	<u>(2,920,667)</u>	<u>8,707,855</u>

LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)
Statement of cash flows for the period ended 31 March, 2023
All amounts are in Mexican Peso

Particulars	Year ended 31 Mar 2023	Year ended 31 Mar 2022
Cash flow from Operating Activities :		
Profit/(Loss) before tax	733,521	1,366,888
Adjustments for:		
Add:- Interest	154,739	248,562
Add: Depreciation	1,388,053	1,586,186
Operating profit before working capital changes	2,276,314	3,201,636
Change in working Capital		
Increase (-)/Decrease(+) in Current Asset		
Inventories	3,272,824	(11,405,044)
Trade receivables	963,540	(2,356,167)
Loans	-	-
Other assets	(3,424,916)	4,581,481
Increase (+)/Decrease(-) in Current Liabilities		
Trade payables	(743,630)	8,116,214
Other current liabilities	(16,009)	19,032
Net change in working capital	51,807	(1,044,482)
Cash generated from operations	2,328,121	2,157,154
Direct taxes (paid)/refund	100,197	(988,536)
Net cash generated from operating activities	2,428,318	1,168,618
	A	
Cash Flow from Investing activities		
Purchase of fixed assets	(207,779)	(252,252)
Net cash used in investing activities	(207,779)	(252,252)
	B	
Cash flow from Financing activities		
Borrowings during the period		
Repayment of principal portion of Lease liability (IND AS 116)	(1,165,302)	(1,199,608)
Finance cost	(154,739)	(248,562)
Net cash used in investing activities	(1,320,042)	(1,448,171)
	C	
Net increase/(decrease) in cash and cash equivalents during the period	900,497	(531,806)
	(A+B+C)	
Opening Cash & cash equivalent at the beginning of the period	2,812,163	3,343,969
Cash and cash equivalents at the end of the period	3,712,660	2,812,163
Reconciliation of cash and cash equivalents with the Balance sheet		
Cash on hand	12,000	12,000
Balances with banks	3,700,660	2,800,163
Cash and cash equivalents as per Balance Sheet	3,712,660	2,812,163

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

As per our report of event date
HLB LEÓN TELLO GARCÍA Y ASOCIADOS, S.C.
Auditors & Consultants

Place: Queretaro, Mexico
Date: May 1, 2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


Eusebi Vila Viña
Director


Ramon Vila Viña
Director

LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)

Notes forming part of the financial statements

Note

1 Legal status and principal activities

Laboratorios Karizoo sa de cv ("The Company"), incorporated in Mexico, specialized in animal health, offers a vademécum of pharmacological injectables, oral solutions and proprietary medicated premixes that are distributed throughout the country.

Laboratorios Karizoo, sa de cv is 50% subsidiary company of Laboratorios Karizoo, sa., and 50% Subsidiary of Vila Vina Participacions S.L., both located in Barcelona (Spain), dedicated to the manufacture and distribution of animal health and nutrition products.

2 Significant accounting policies

2.1 Changes in accounting policies and disclosures:

New and amended standards

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments apply for the first time for the year ending 31 March 2019, but do not have an impact on the consolidated financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). 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.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the full retrospective method of adoption, with the date of initial application on 1 April 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

2.2 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 Laboratorios Karizoo sa de cv ('the Company') have been prepared, in accordance with with the Accounting policies and standards in Mexico. 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 Laboratorios Karizoo SA.

The financial statements are prepared for the period 1 April 2022 to 31 March 2023 for the purpose of consolidation with its ultimate holding Company 'Sequent Scientific Limited'

2.3 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.

2.4 Intangible fixed assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

2.5 Depreciation

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

Nature of Asset	Useful life in periods (range)
Plant and Machinery	2 -25
Office Equipment	3 - 10
Vehicles	2 - 8
Furniture and Fixtures	5 - 15

2.6 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.

2.7 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.

(i) Raw materials & packing material :

At purchase cost including other cost incurred in bringing materials to their present location and condition

(ii) Work in process, intermediates & Finished goods :

At material cost, conversion cost and appropriate share of production overheads

2.8 Revenue recognition

The Group presents revenue net of indirect taxes in its Statement of Profit and Loss.

Sale of goods

Revenue from sale of products is presented in the income statement within Revenue from operations. The Group presents revenue net of indirect taxes in its statement of profit and loss. Sale of products comprise revenue from sales of products, net of sales returns, and of customer discounts.

Revenue is recognised when it is probable that future economic benefits will flow to the Company and these benefits can be measured reliably. Further, revenue recognition requires that all significant risks and rewards of ownership of the goods included in the transaction have been transferred to the buyer, and that Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Performance obligations are satisfied at one point in time, typically on delivery. Revenue is recognized when the Company transfers control over the product to the customers; control of a product refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, that asset. The majority of revenue earned by the Company is derived from the satisfaction of a single performance obligation for each contract which is the sale of products.

Sales are measured at the fair value of consideration received or receivable. The amounts of rebates/incentives is estimated and accrued on each of the underlying sales transactions recognised. Returns and customer discounts are recognized in the period in which the underlying sales are recognized. The amount of sales returns is calculated on the basis of management's best estimate of the amount of product that will ultimately be returned by customers.

Services

Income from technical service, support services and other management fees is recognised when the services are completed as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists.

Income from analytical service is recognised when the services are completed as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists. Revenue is recognised net of taxes and discounts.

Export entitlements

Export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest and dividend income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the right to receive payment has been established.

2.9 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.

There are no carry forward of leave balances.

2.10 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.

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.

2.11 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.

2.12 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.



2.13 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.

2.14 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.

2.15 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.

2.16 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.

2.17 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.

2.18 Leases

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings (see Note 29).

2.19 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.

2.20 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.

2.21 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.



LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)
Notes to the financial statements for the year ended 31 March, 2023
All amounts are in Mexican Peso

Note 3 : Property, plant and equipment

Particulars	As at 31 March, 2023	As at 31 March, 2022
Carrying Amount of:		
Furniture and fixtures	104,595	103,331
Computers	131,293	105,997
Plant and machinery	95,773	113,987
Vehicles	109,917	271,582
Right to use Assets	5,037,661	6,206,262
Total	5,479,240	6,801,160

Particulars	Furniture and fixtures	Computers	Plant and machinery	Vehicles	Right to use Assets	Total
Cost or deemed cost						
Balance as on 01 April, 2021	167,809	437,554	201,818	1,054,751	10,008,512	11,870,443
Assets acquired	-	57,994	-	194,257	-	252,252
Deletions	-	-	-	-	-	-
Balance as on 01 April, 2022	167,809	495,548	201,818	1,249,008	10,008,512	12,122,694
Assets acquired	18,618	90,073	-	99,088	-	207,779
Deletions	-	-	-	520,754	-	520,754
Balance as on 31 March, 2023	186,427	585,621	201,818	1,868,850	10,008,512	12,851,228

Particulars	Furniture and fixtures	Computers	Plant and machinery	Vehicles	Right to use Assets	Total
Accumulated depreciation and impairment						
Balance as on 01 April, 2021	47,279	333,894	69,617	701,601	2,582,958	3,735,349
Depreciation / amortisation expense for the year	17,199	55,656	18,213	275,825	1,219,292	1,586,185
Accumulated depreciation for assets sold	-	-	-	-	-	-
Balance as on 01 April, 2022	64,477	389,550	87,830	977,427	3,802,249	5,321,534
Depreciation / amortisation expense for the year	17,354	64,778	18,214	139,086	1,168,602	1,408,033
Accumulated depreciation for assets sold	-	-	-	642,421	-	642,421
Balance as on 31 March, 2023	81,831	454,328	106,044	1,758,933	4,970,851	7,371,988

Particulars	Furniture and fixtures	Computers	Plant and machinery	Vehicles	Right to use Assets	Total
Carrying amount						
Balance as on 01 April, 2022	103,331	105,997	113,987	271,582	6,206,262	6,801,160
Balance as on 31 March, 2023	104,595	131,293	95,773	109,917	5,037,661	5,479,240

LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)
Notes to the financial statements for the Year ended 31st March 2023
All amounts are in Mexican Peso

Note no	Particulars	As at 31st Mar 2023	As at 31st Mar 2022				
4	Financial assets - Long term loans and advances						
	Security Deposits	169,885	142,558				
		<u>169,885</u>	<u>142,558</u>				
5	Deferred tax assets (net)						
	Deferred tax (IND AS 116)	60,675	59,850				
		<u>60,675</u>	<u>59,850</u>				
6	Other non-current assets						
	Prepaid expenses	355,736	307,037				
		<u>355,736</u>	<u>307,037</u>				
7	Inventories						
	(At lower of cost and net realisable value)						
	Raw materials and packing materials	2,050,980	5,511,127				
		<u>2,050,980</u>	<u>5,511,127</u>				
	Work-in-progress and intermediates	46,367	-				
	Finished goods	12,186,179	11,494,917				
	Stock in trade (In Transit)	5,844,600	6,394,907				
		<u>18,030,779</u>	<u>17,889,824</u>				
		<u>20,128,127</u>	<u>23,400,950</u>				
	Note : Inventory provision made during March 2023 Nil (March 2022 Nil)						
8	Financial Assets						
	Trade receivables						
	(a) Unsecured, considered good	8,851,963	9,726,799				
	(b) Unsecured, considered good(others)	114,943	203,647				
		<u>8,966,907</u>	<u>9,930,446</u>				
	Less: Provision for doubtful debts	-	-				
		<u>8,966,907</u>	<u>9,930,446</u>				
	<u>Ageing as at 31.03.2023</u>						
	Particulars	Outstanding for following periods from					Total
		Not Due	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	
	(i) Undisputed Trade Receivables - considered good	7,166,114	1,408,242	274,277	94,946	23,328	8,966,907
	<u>Ageing as at 31.03.2022</u>						
	Particulars	Outstanding for following periods from					Total
		Not Due	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	
	(i) Undisputed Trade Receivables - considered good	7,295,712	2,332,538	278,400	11,177	12,620	9,930,447
9	Cash and cash equivalents						
	Cash with Employees					12,000	12,000
	Balances with banks					3,700,660	2,800,163
	- In current accounts					<u>3,712,660</u>	<u>2,812,163</u>
10	Other current assets						
	Advance to supplier					1,000	-
	Balances with government authorities					4,693,963	1,204,428
						<u>4,694,963</u>	<u>1,204,428</u>
27	Other Non-current financial liabilities						
	Lease Liability					4,258,986	5,243,739
						<u>4,258,986</u>	<u>5,243,739</u>
12	Trade payable						
	Trade payable					19,970,307	23,110,925
						<u>19,970,307</u>	<u>23,110,925</u>
	<u>Ageing as at 31.03.2023</u>						
	Particulars	Outstanding for following periods from					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	(i) Undisputed Trade Receivables - considered good	11,837,954	8,132,353	-	-	-	19,970,307
	<u>Ageing as at 31.03.2022</u>						
	Particulars	Outstanding for following periods from					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	(i) Undisputed Trade Receivables - considered good	15,282,647	7,602,310	224,427	-	1,542	23,110,926
13	Other Current Liabilities						
	Statutory remittances					79,307	95,316
						<u>79,307</u>	<u>95,316</u>
14	Provision for taxation						
	Total					295,820	225,452
	(Net off Advance Tax 31 Mar 23 357284 Pesos , 31 Mar 22 Pesos 1064378)					<u>295,820</u>	<u>225,452</u>

LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)
Notes to the financial statements for the Year ended 31st March 2023
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Note no	Particulars	Year ended 31 Mar 2023	Year ended 31 Mar 2022
14	Revenue from operations		
	a) Sale of products	84,162,247	73,419,387
	d) Other operating revenues	1,114,797	1,103,565
		<u>85,277,044</u>	<u>74,522,953</u>
	Reconciliation of revenue from sale of products and services with the contracted price:		
	Contracted Price	86,942,556	77,006,424
	Less: trade discounts, sales and expiry return	1,665,512	2,483,471
		<u>85,277,044</u>	<u>74,522,953</u>
15	Other Income		
	Interest income	45	66
	Other non-operating income	187,030	11,731
	Net gain on foreign currency transactions and translation	943,340	793,906
		<u>1,130,415</u>	<u>805,703</u>
16	Cost of materials consumed		
	Opening stock	5,511,127	1,672,972
	Add: Purchases	59,411,914	63,644,152
	Less: Closing stock	2,050,980	5,511,127
		<u>62,872,061</u>	<u>59,805,997</u>
17	Changes in inventories of finished goods and work-in-progress & intermediates		
	Opening stock		
	Work-in-progress and intermediates	-	184,752
	Finished goods	11,494,917	3,473,062
	Stock in trade	6,394,907	6,665,121
		<u>17,889,824</u>	<u>10,322,935</u>
	Closing stock		
	Work-in-progress and intermediates	46,367	-
	Finished goods	12,186,179	11,494,917
	Stock in trade	5,844,600	6,394,907
		<u>18,077,146</u>	<u>17,889,824</u>
	Net (increase) / decrease	<u>(187,323)</u>	<u>(7,566,889)</u>
18	Employee benefits expense		
	Salaries and wages	7,810,093	7,337,133
	Staff welfare expenses	33,278	138,467
		<u>7,843,371</u>	<u>7,475,600</u>
19	Finance costs		
	Interest expense	34,443	105,920
	Other borrowing costs	32,151	36,932
	Lease Interest expense	88,146	105,710
		<u>154,739</u>	<u>248,562</u>
20	Depreciation and amortization expense		
	Tangible assets	219,452	366,894
	Lease Amortisation (IND AS 116)	1,168,602	1,219,292
		<u>1,388,053</u>	<u>1,586,186</u>
21	Other expenses		
	Travel expenses	1,422,662	784,679
	Communication expenses	203,965	142,492
	Consumables	296,898	267,294
	Legal and Professional charges	4,689,086	5,219,347
	Freight and forwarding	906,892	1,175,537
	Power and fuel	1,006,905	881,328
	Rent expenses	454,354	144,875
	Analytical charges	1,240,742	1,367,676
	Repairs to buildings	51,247	8,873
	Repairs to others	603,320	455,279
	Insurance	577,820	577,169
	Advertisement and selling expenses	722,840	473,174
	Marketing Expenses	969,115	276,570
	Rates and taxes	27,743	271,981
	Net loss on foreign currency transactions and translation	-	-
	Other expenses	429,447	366,037
		<u>13,603,036</u>	<u>12,412,312</u>

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Note no	Particulars	Year ended 31 Mar 2023	Year ended 31 Mar 2021
22	Tax expense		
	Current tax	(29,829)	898,895
	Deferred tax	(824)	(4,920)
		<u>(30,653)</u>	<u>893,975</u>
23	Earning per Share		
		01 Apr 2022 to 31 March, 2023	01 Apr 2021 to 31 March, 2022
	Net profit / (loss) for the period as per statement of profit and loss	764,174	472,914
	Net profit / (loss) for the period attributable to the equity shareholders	764,174	472,914
	Weighted average number of equity shares	6,100	6,100
	Earnings / (Loss) per share - Basic	125.27	77.53
	Earnings / (Loss) per share - Diluted	125.27	77.53
24	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 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 Mexico.		
I	Revenue From Operations	Year ended 31 Mar 2023	Year ended 31 Mar 2021
	Rest of the World	85,277,044	74,522,953
	Total	<u>85,277,044</u>	<u>74,522,953</u>
II	Total Assets	Year ended 31 Mar 2023	Year ended 31 Mar 2021
	Rest of the World	43,568,190	44,658,592
	Total Segment Assets	<u>43,568,190</u>	<u>44,658,592</u>
III	Cost incurred during the Year to acquire Segment Assets	Year ended 31 Mar 2023	Year ended 31 Mar 2021
	Rest of the World	207,779	252,252
		<u>207,779</u>	<u>252,252</u>
25	Contingent liabilities and commitments		
	There are no contingent liabilities or Capital Commitments as on 31 March 2023 and 31 March 2022.		
26	Foreign currency exposure		
		As at 31 Mar 2023	As at 31 Mar 2022
	Foreign currency		
	Trade Payable in Euros	-	176,323

LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)
Notes to the financial statements for the Year ended 31st March 2023
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27 Details of leasing arrangements

The Company's significant leasing arrangement is mainly in respect of Vehicle.

The following is the movement in lease liabilities during the year ended 31 March 2023:

	Year ended 31 Mar 2023	Year ended 31 Mar 2022
Balance as at 1 April 2022	6,409,043	7,608,654
Addition during the year	-	-
Accretion of interest	88,146	105,710
Payments	(1,253,450)	(1,305,321)
Balance as at 31 March 2023	5,243,739	6,409,043
Current	984,753	1,165,304
Non-current	4,258,986	5,243,739

The effective interest rate for lease liabilities is 1.5%

The following are the amounts recognised in profit or loss:

	Year ended 31 Mar 2023	Year ended 31 Mar 2022
Depreciation expense of right-of-use assets	1,168,602	1,219,292
Interest expense on lease liabilities	88,146	105,710
Total amount recognised in profit or loss	1,256,747	1,325,002

LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)
Notes to the financial statements for the Year ended 31st March 2023
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29 Financial instruments

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

A)	Carrying value and fair value	
	31 March 2023	31 March 2022
Financial assets		
Measured at amortised cost		
Trade receivables	8,966,907	9,930,446
Cash and cash equivalents	3,712,660	2,812,163
Other financial assets	169,885	142,558
Total	12,849,452	12,885,167
Financial liabilities		
Measured at amortised cost		
Trade payables	19,970,307	23,110,925
Other financial liabilities	5,243,739	6,409,043
Total	25,214,046	29,519,968

The company's principal financial liabilities comprise 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 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.

B) 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.

Particulars	As at 31 March 2023			Total
	Less than 1 year	1-2 years	2 years and above	
Trade payables	19,970,307	-	-	19,970,307
Lease Liability	984,753	984,753	3,274,233	5,243,739

Particulars	As at 31 March 2022			Total
	Less than 1 year	1-2 years	2 years and above	
Trade payables	23,110,925	-	-	23,110,925
Lease Liability	1,165,304	984,753	4,258,986	6,409,043

C) Capital management

For the purpose of company's management, capital includes issued equity capital and all other equity reserves attributable to the equity shareholders of the company. The primary objective of company's capital management is to maximize the shareholders 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 2022, 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 2023	31 March 2022
Debt (i)	-	-
Cash and bank balances (ii)	3,712,660	2,812,163
Other bank balances (iii) (margin money)	-	-
Other non-current financial assets (margin money) (iv)	-	-
Current investment (iv)	-	-
Net debt [(i) - { (ii)+(iii)+(iv) }]	<u>(3,712,660)</u>	<u>(2,812,163)</u>
Equity attributable to owners of the Company	3,505,086	3,422,030
Gearing ratio	<u>NA</u>	<u>NA</u>

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

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

(iii) Gearing ratio = Net debt / Equity.

LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)
Notes to the financial statements for the year ended 31 March, 2023
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28 Reconciliations of tax expenses and details of deferred tax balances

A) Income tax expense recognised in the statement of profit and loss

	Year ended 31 March 2023	Year ended 31 March 2022
i) Income tax expense recognised in the statement of profit and loss		
Current tax	(29,829)	898,895
Total (I)	(29,829)	898,895
Deferred tax charge		
Origination and reversal of temporary differences	(824)	(4,920)
Total (II)	(824)	(4,920)
Provision for tax of earlier years written back (III)	-	-
Total (IV = I+II+III)	-30,653	893,975

The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

B) Reconciliation of effective tax rate

The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Group is as follows:

	31 March 2023	31 March 2022
Profit before tax	733,521	1,366,888
Statutory income tax rate	30.00%	30.00%
Tax as per applicable tax rate	220,056	410,067
Differences due to:		
- Exempted income	250,709	-
- Disallowed expenses	-	(483,908)
Income tax expenses charged to the statement of profit and loss	(30,653)	893,975
Effective tax rate	-4.18%	65.40%

C) Movement in deferred tax assets and liabilities

	31 March 2023				As at 31 March 2023
	As at 01 April 2021	Recognised before acquisition/ under business combination	Credit / (charge) in the statement of profit and loss	Credit / (charge) in other comprehensive income	
- Right-of-use assets (*)	59,850	-	824	-	60,675
Total	59,850	-	824	-	60,675

	31 March 2022				As at 31 March 2022
	As at 01 April 2021	Recognised before acquisition/ under business combination	Credit / (charge) in the statement of profit and loss	Credit / (charge) in other comprehensive income	
- Right-of-use assets (*)	54,930	-	4,920	-	59,850
Total	54,930	-	4,920	-	59,850

(*) Opening balances is on account of transition impact of Ind AS 116.

LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)

Notes to the financial statements for the year ended 31 March, 2023

All amounts are in Mexican Peso

30 Related Party Disclosures:

A List of related parties:

i) Holding company:

Vila Viña Participacions S.L.

Laboratorios Karizoo, S.A.

Alivira Animal Health Limited, Ireland (Holding company of Vila Viña Participacions S.L.)

Alivira Animal Health Limited, India (Holding company of Alivira Animal Health Limited, Ireland)

Sequent Scientific Limited, India (Ultimate Holding Company)

ii) Fellow Subsidiary :

Phytotherapeutic Solutions S.L.

Comercial Vila Veterinaria De Lleida S.L.

iii) Key Management Personnel

Ramon Vila Viña

Eusebi Vila Viña

iv) Other Group Subsidiaries :

Alivira Italia S.R.L

Bremer Pharma GmbH

Fendigo SA

Fendigo BV

N-Vet AB

Provet Veterinerlik Urunleri Tic. Ltd. Sti

Tomkim Ilac Premiks San. ve Tic. A.S

Alivira (France)

Alivira UA Limited

Alivira Animal Health UK Ltd

Alivira Saude Animal Brasil Participacoes Ltda

Evanvet Distribuidora De Produtos Veterinarios Ltda (Name changed from 'Evanve Saude Animal Ltda)

Alivira Saude Animal Ltda. (Name changed from Interchange Veterinária Indústria E Comércio Ltda)

B. Transaction during the period

Nature of transactions	Year ended 31 Mar 2023	Year ended 31 Mar 2022
(i) Purchases		
Phytotherapeutic Solutions S.L.	10,371,682	2,134,115
Laboratorios Karizoo S.A.	814,486	
(ii) Marketing Expenses Received		
Phytotherapeutic Solutions S.L.	460,782	224,838
(iii) Interest Expense		
Laboratorios Karizoo S.A.	4,118	10,230
(iv) Marketing Expenses Paid		
Laboratorios Karizoo S.A.	2,453,952	1,227,592
(iv) Other Expenses		
Laboratorios Karizoo S.A.	66,768	47,692



LABORATORIOS KARIZOO, S.A. DE C.V. (Mexico)
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C. Balance as at balance sheet date:

Particulars	As at 31st Mar 2023	As at 31st Mar 2022
(i) Trade payables		
Phytotherapic Solutions S.L.	8,741,806	4,347,844
Laboratorios Karizoo S.A.	212,966	890,357
(ii) Trade Receivables		
Phytotherapic Solutions S.L.	107,619	107,587

As per our report of event date
HLB LEÓN TELLO GARCÍA Y ASOCIADOS, S.C.
Auditors & Consultants

Place : Queretaro, Mexico
Date : May 1, 2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


Eusebi Vila Viña
Director


Ramon Vila Viña
Director