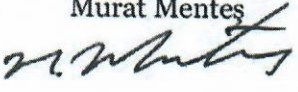
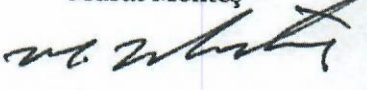
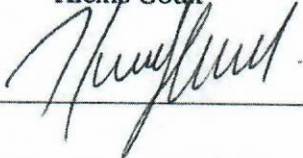
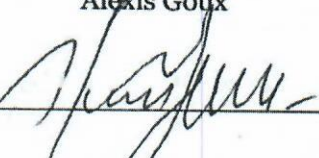


**PROVET VETERİNER ÜRÜNLERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ**

<b>YÖNETİM KURULU KARARI</b>		<b>RESOLUTION OF THE BOARD OF DIRECTORS</b>	
<b>KARAR TARİHİ</b>	02 Mayıs 2024	<b>RESOLUTION DATE</b>	May 02 2024
<b>KARAR SAYISI</b>	2024/4	<b>RESOLUTION NO</b>	2024/4
<b>KATILANLAR</b>	• Murat Menteş • Alexis Goux	<b>ATTENDEES</b>	• Murat Menteş • Alexis Goux
<b>KONU</b>	<b>SUBJECT</b>		
Şirketin 01 Ocak ve 31 Mart dönemine ait finansal tablolarının okunması ve onaylanması	Reading and approval of the financial statements of the Company for the period of January 01 <sup>st</sup> and March 31 <sup>th</sup>		
Şirket Yönetim Kurulu üyeleri Şirket merkezinde toplanarak aşağıdaki kararları almıştır:	The Board of Directors members of the company are gathered at the principal office of the Company and have adopted the resolutions that are written below:		
1. Şirketin, mali yılın dördüncü çeyreğine, yani 01 Ocak ve 31 Mart dönemine, ait olmak üzere, Bilanço ve Kar-Zarar Hesabı'ndan oluşan, mali tablolarının okunmasına ve uygun olması halinde onaylanmasına,	1. Reading and approval, if appropriate, of the Company's financial statements for the fourth quarter of the financial year, namely January 01 <sup>st</sup> and March 31 <sup>th</sup> period, comprising of the Balance Sheet and Profit and Loss Account;		
2. Ayrıca, söz konusu toplantıda okunacak ve onaylanacak mali tablolar bu toplantı ilanına Ek I olarak eklenmesine,	2. In addition, the financial statements to be read and approved at the aforementioned meeting are attached as Annex I to this notice of meeting;		
oybirliği ile karar verilmiştir.	The above resolutions are adopted unanimously.		
<b>Yönetim Kurulu Başkanı</b> Murat Menteş 	<b>Chairman of Board of Directors</b> Murat Menteş 		
<b>Yönetim Kurulu Başkan Yardımcısı</b> Alexis Goux 	<b>Vice Chairman of Board of Directors</b> Alexis Goux 		

<b>Ek I</b>	<b>Annex I</b>
Mali yılın dördüncü çeyreğine, yani 01 Ocak ve 31 Mart dönemine, ait olmak üzere, Bilanço ve Kar-Zarar Hesabı'ndan oluşan, mali tablolar.	Financial statements for the fourth quarter of the financial year, namely January 01 <sup>st</sup> and March 31 <sup>th</sup> period, comprising of the Balance Sheet and Profit and Loss Account.

Provet Veteriner Ürünleri San. ve Tic. A.Ş.  
Balance Sheet as at 31 March 2024  
All amounts are in Turkish Lira unless stated otherwise

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	65,879,345	53,355,893
(b) Capital work-in-progress	3	4,863,831	4,209,313
(c) Right-of-use assets	3	1,732,340	1,800,991
(d) Other Intangible assets	3	379,401	525,523
(e) Other non-current assets	4	-	37
(f) Financial assets			
(i) Investments	5	21,280,826	18,488,435
(g) Deferred tax assets (net)	6	16,022,754	3,446,261
		<b>110,158,497</b>	<b>81,826,453</b>
<b>2 Current assets</b>			
(a) Inventories	7	115,612,626	99,386,838
(b) Financial assets			
(i) Trade receivables	8	159,163,482	104,472,904
(ii) Cash and cash equivalents	9	4,046,092	1,105,547
(iii) Loans	10	59,665	71,736
(c) Other current assets	11	8,868,409	7,037,603
		<b>287,750,274</b>	<b>212,074,628</b>
<b>TOTAL ASSETS</b>		<b>397,908,771</b>	<b>293,901,081</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	12	5,071,856	3,010,244
(b) Other equity	12	67,024,542	65,475,792
		<b>72,096,398</b>	<b>68,486,036</b>
<b>2 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	6,833,901	-
(ii) Lease liability	30	635,517	843,185
(b) Long-term provisions	14	4,639,026	5,084,270
		<b>12,108,444</b>	<b>5,927,455</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Short-term borrowings	15	234,347,355	118,933,199
(ii) Trade payables	16	67,966,492	69,765,422
(iii) Lease liability	30	207,668	99,165
(iv) Other financial liabilities	17 (i)	441,370	-
(b) Other current liabilities	17 (ii)	6,395,263	14,884,021
(c) Provisions	18	4,169,471	971,053
(d) Deferred tax liabilities (net)	19	-	14,834,730
(e) Current tax liabilities (net)	20	176,310	-
		<b>313,703,929</b>	<b>219,487,590</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>397,908,771</b>	<b>293,901,081</b>
See accompanying notes to the financial statements		2	

As per our report of event date  
Margin Serbest Muhasebeci Mali Müşavirlik Ltd.

**Margin SMMM Ltd.**  
Avcılar VD 612 111 R512  
Üniversite Mah. Civen Sk. N:1  
Allüre Tower 9/134 Avcılar İst

Place : Istanbul  
Date : 13th May 2024

For and on Behalf of the Board of Directors

Murat Menten  
Director  
Istanbul, 13th May 2024

**PROVET VETERİNER ÜRÜNLERİ**  
SAN. VE TİC. A.Ş.  
Çavuşoğlu Mah. Çavuşoğlu Sok. No: 28 Kat: 1 / İSTANBUL  
Kartal V.D.: 733 041 1926

<b>Provet Veteriner Ürünleri San. ve Tic. A.Ş.</b> <b>Statement of Profit and Loss for the year ended 31 March 2024</b> <b>All amounts are in Turkish Lira unless stated otherwise</b>				
	Particulars	Note No.	Year Ended 31 March 2024	Year Ended 31 March 2023
(I)	Revenue From Operations	21	401,700,941	313,763,781
(II)	Other Income/ (Losses) net	22	(31,196,006)	(8,917,181)
	<b>Total Income (I+ II)</b>		<b>370,504,935</b>	<b>304,846,600</b>
(III)	<b>EXPENSES</b>			
	Cost of materials consumed	23	188,288,025	175,118,331
	Changes in inventories of finished goods and work-in-progress & intermediates	24	(5,325,688)	(7,686,559)
	Employee benefits expenses	25	71,376,858	46,048,612
	Finance costs	26	15,465,769	8,791,453
	Depreciation and amortisation expenses	27	5,571,810	6,024,612
	Other expenses	28	215,802,406	90,607,763
	<b>Total expenses (III)</b>		<b>491,179,180</b>	<b>318,904,212</b>
(IV)	<b>Loss before tax</b>	(IV)	<b>(120,674,245)</b>	<b>(14,057,612)</b>
(V)	<b>Tax expense:</b>	29		
	(1) Current tax		-	-
	(2) Tax expense of prior years		1,217,524	-
	(2) Deferred tax (credit)/charge		(27,788,033)	4,921,073
	<b>Total Tax (V)</b>		<b>(26,570,509)</b>	<b>4,921,073</b>
(VI)	<b>Loss for the year (IV-V)</b>	VI	<b>(94,103,736)</b>	<b>(18,978,685)</b>
(VII)	<b>Other comprehensive (loss)</b>	VII		
A	(i) Items that will not be reclassified subsequently to profit and loss			
	(a) Remeasurement (loss) on post-employment defined benefit plans		(1,392,577)	(4,158,997)
(VIII)	<b>Total Comprehensive Income for the year (VI+VII)</b>	VIII	<b>(95,496,313)</b>	<b>(23,137,682)</b>
(IX)	<b>Earnings per equity share:</b>	31		
	(1) Basic		(470,519)	(94,893)
	(2) Diluted		(470,519)	(94,893)
	<b>See accompanying notes to the financial statements</b>	2		
As per our report of event date Margin Serbest Muhasebeci Mali Müşavirlik Ltd. <b>Margin SMMM Ltd.</b> Avciılar Yö. 5/2 111 2817 Üniversite Mah. Civan Sk. No:1 Allure Tower 9/134 Avciılar İşt. Place : Istanbul Date : 13th May 2024		For and on Behalf of the Board of Directors  Murat Mentés Director Istanbul, 13th May 2024		

PROVET VETERİNER ÜRÜNLERİ  
 SAN. VE TİC. A.Ş.  
 Çavuşpınar Mah. Büyükdere Caddesi  
 No: 28 Kat: 7 İSTANBUL  
 Kartal V.D.: 733 041 1825

Provet Veteriner Ürünleri San. ve Tic. A.Ş.  
Statement of cash flows for the year ended 31 March, 2024  
All amounts are in Turkish Lira unless stated otherwise

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
<b>Cash flow from Operating Activities :-</b>		
Net Loss before tax	(120,674,245)	(14,057,612)
Adjustments for:		
Finance costs	15,465,769	8,791,453
Depreciation and amortisation expenses	5,571,810	6,024,612
Employee Stock Option Expenses	938,012	907,086
Interest Income	(1,657)	(1,108,409)
Profit/Loss on sale of property, plant and equipment (net)	(2,447,714)	(4,398,225)
Profit on sale of investment (net)	(267)	(21,745)
Unrealised forex loss (net)	151,190,024	25,033,650
Opening Inventory Adjustment on account of hyperinflation	-	20,673,461
Monetary Gain on account of hyperinflation	37,884,496	15,931,739
<b>Operating profit before working capital changes</b>	<b>87,926,228</b>	<b>57,776,010</b>
<b>Change in working Capital</b>		
(Increase) / decrease in trade receivables, loans and advances and other assets	(56,509,275)	(39,815,795)
(Increase) / decrease in inventories	(16,225,788)	(26,116,315)
Increase / (decrease) in trade payables, other payables and provisions	(9,815,700)	16,561,776
<b>Net change in working capital</b>	<b>(82,550,763)</b>	<b>(49,370,335)</b>
<b>Cash generated from operations</b>	<b>5,375,465</b>	<b>8,405,675</b>
Direct taxes (paid)	(1,217,524)	(79,882)
<b>Net cash generated from operating activities</b>	<b>A 4,157,941</b>	<b>8,325,794</b>
<b>Cash Flow from Investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(9,989,902)	(8,244,034)
Increase in Investment	(2,792,391)	-
Proceeds from disposal of property, plant and equipment and intangible assets	2,451,941	4,454,015
Sale of current investments (net)	267	21,745
Interest received	1,657	1,108,409
<b>Net cash used in investing activities</b>	<b>B (10,328,428)</b>	<b>(2,659,864)</b>
<b>Cash flow from Financing activities</b>		
Repayment of loan	(6,263,286)	(27,660,116)
Proceed from loan	21,275,000	24,000,000
Interest paid	(5,621,388)	(3,428,192)
Payment of lease liabilities	(279,294)	-
<b>Net cash generated from/ (used in) investing activities</b>	<b>C 9,111,032</b>	<b>(7,088,308)</b>
<b>Net increase/(decrease) in cash and cash equivalents during the year</b>	<b>(A+B+C) 2,940,545</b>	<b>(1,422,379)</b>
<b>Opening Cash &amp; cash equivalent at the beginning of the year</b>	<b>1,105,547</b>	<b>2,527,926</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>4,046,092</b>	<b>1,105,547</b>
<b>Reconciliation of cash and cash equivalents with the Balance sheet</b>		
Cash on hand	3,217	3,035
Balances with banks	4,042,874	1,102,512
<b>Cash and cash equivalents as per Balance Sheet (Refer Note 9)</b>	<b>4,046,092</b>	<b>1,105,547</b>

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

As per our report of event date  
Margin Serbest Muhasebeci Mali Müşavirlik Ltd.

For and on Behalf of the Board of Directors

**Margin SMMM Ltd.**  
Avcılar VD 612 111 2617  
Üniversite Mah. Civan Sok. N:1  
Allure Tower 9/134 Avcılar İst

Murat Mentec  
Director  
İstanbul, 13th May 2024

Place : İstanbul  
Date : 13th May 2024

**PROVET VETERİNER ÜRÜNLERİ**  
**SAN. VE TİC. A.Ş.**  
Çayırbaşı Mah. Başakşehir Çad.  
No: 20 Kat:1 İSTANBUL  
İkâharv.c. 100 041 1000

All amounts are in Turkish Lira unless stated otherwise

(a) Equity share capital	Particulars	As at 31 March, 2024		As at 31 March, 2023	
		No. of Shares	Amount	No. of Shares	Amount
	Balance at the beginning of the reporting year	200	2,000,000	200	2,000,000
	Changes in equity share capital during the year	-	-	-	-
	Share Capital Impact of hyper inflation		3,071,856		1,010,224
	Balance at the end of the reporting year	200	5,071,856	200	3,010,224

	Year ended 31st March 2024						Year ended 31st March 2023					
	Reserves and Surplus			Total			General reserve			Capital reserve		
	General reserve	Revaluation reserve	Items of other comprehensive income	Retained Earnings	Total		General reserve	Revaluation reserve	Capital reserve	Items of other comprehensive income	Retained Earnings	Total
(b) Other Equity												
Reserves and Surplus												
Opening balance	18,443,499	7,800,273	43,076,030	44,233,798	65,475,792		12,253,825	5,182,487	49,339	(917,042)	3,752,469	20,321,077
Loss for the year	-	-	(80,347,400)	(80,347,400)	(81,939,977)		-	-	-	(4,138,997)	(12,240,949)	(16,399,846)
Hyperinflation Impact	5,342,139	50,858	-	(4,392,377)	83,688,727		6,180,675	2,617,787	24,922	-	52,722,178	61,854,862
Inflation balance	31,074,815	13,142,412	125,119	29,159,812	67,922,452		18,443,500	7,800,274	74,261	(5,076,039)	44,233,798	65,475,793

The accompanying notes are an integral part of the financial statements

As per our report of event date

As per our report of even date

For and on Behalf of the Board of Directors

Murai Montes

Director

Istanbul, 13th May 2024

Place : Istanbul

Date: 13th May 2024

Verma CMM Ltd.

margin

**Avcılar Yöresel Müze**

Univ. Tower 9/134 Av. C. 1st

PROVET VETERINER NIŠIM 2011

SAM VE TIC

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## 1. CORPORATE INFORMATION

Provet Veteriner Ürünleri San. ve Tic. A.Ş. ('the Company') is a company duly organised and incorporated in accordance with the laws of Turkey and is engaged in the manufacturing and marketing of pharmaceuticals products

### 2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

### 2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for

Leasing transaction as defined in Ind AS 116 – Leases.

Measurement that have some similarities to fair value but are not fair value, such as 'Net Realisable Value' as defined in Ind AS 2 – Inventories and value in use as defined in Ind AS 36- Impairment of Assets.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

### 2.3 Functional and presentation currency

These financial statements are presented in Turkish Lira (TL), which is the Company's functional currency.

### 2.4 Significant Accounting Policies

#### i. Revenue Recognition

##### Sale of products

Revenue from sale of products is presented in the income statement within revenue from operations. The Company 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, Turnover premium and customer discounts.

Revenue is recognized 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 turnover premium is estimated and accrued on each of the underlying sales transactions recognised.

##### Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company 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.

#### ii. Leases

The Company's lease asset classes primarily consist of leases for Office Premises. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

**Marginal SMMM Ltd.**  
Avcılar VD 612-111 2617  
Üniversite Mah. Civan Sk. N:1  
Allure Tower 9/134 Avcılar İst

**PROVET VETERİNER ÜRÜNLERİ**  
SAN. VE TİC. A.Ş.  
Çavuşoba Mah. Çavuşoba Cad.  
No: 28 KAT: 7 İSTANBUL  
KARAY.D.: 783 041 1925

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

iii. Foreign currency transactions and translation

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss in the year in which it arises.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange difference on capital expenditure are not capitalised but charged to the statement of profit and loss.

iv. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or erection of qualifying assets are added to the cost of those assets, until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

v. Employee Benefits

a) Defined contribution plans

The Company has defined contribution plans for post-employment benefits in the form of Social security which is administered through Government of Turkey. Social Security is classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The company's contributions to defined contribution plans are charged to the statement of profit and loss as and when employee renders related service.

b) Defined benefit plans

Payments to defined benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's Severance pay is in the nature of defined benefit plans.

For defined benefit plans, the cost of providing benefit is determined using projected unit credit method, with actuarial valuation being carried out at the end of each financial year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements),
- net interest expense or income; and
- re-measurement gain / (loss)

Margin SMMM Ltd.  
Avcılar V.D. 612 11/12617  
Üniversite Mah. Civan Sk. N:1  
Allure Tower 9/134 Avcılar İst

PROVET VETERİNER ÜRÜNLERİ  
SAN. VE TİC. A.Ş.  
Çavuşoğlu Mah. Başkumandanı Cad.  
No: 25 Kat: 11 - İSTANBUL  
KARAIV.İ.: 733 041 1925

The Company presents the service cost of defined benefit plan in the line item 'Employee benefits expense' and the net interest expense or income in the line item 'Finance costs' of the statement of profit and loss. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

c) **Short-term employee benefits**

A liability is recognised for short-term employee benefit in respect of wages and salaries, annual leaves, medical and leave travel in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

d) **Other employee benefits**

Other employee benefits comprise of leave encashment which is provided for, based on the actuarial valuation carried out as at the end of the year. Liabilities recognised in respect of other employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

vi. **Taxes on income**

Income tax comprises current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

vii. **Property, plant and equipment**

a) **Recognition and measurement**

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any.

Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have significant cost in relation to total cost and different useful lives, they are recognised and depreciated separately.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values, using the straight-line method, over the useful lives.

Nature of the assets	Useful life in years
Freehold land	-
Factory building	10 - 50
Furniture and fixtures	3 - 5
Office equipments	3 - 15
Computers	4 - 5
Plant and machinery	5 - 50
Vehicles	4 - 5

The estimated useful lives, residual values and depreciation method are reviewed at financial year end, with the effect of any changes in estimates are accounted for on a prospective basis.

b) **Subsequent costs**

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

c) **Derecognition of property, plant and equipment**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

viii. **Intangible assets**

a) **Intangible assets acquired separately**

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on straight-line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each financial year, with the effect of any changes in estimate being accounted for on a prospective basis. Cost includes any directly attributable incidental expenses necessary to make the assets ready for use.

**Useful lives of intangible assets**

Estimated useful lives of the intangible assets are as follow:

Nature of the assets	Useful life in years
Software	3-10

**Margin SMMM Ltd.**

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PROVET VETERİNER ÜRÜNLERİ  
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Çavuşözü Mah. Şakirpaşazade Cad.  
No: 28 Kat: 7 / İSTANBUL  
Borsivce: 700 041 1865

b) **Subsequent costs**

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures, including expenditure on internally-generated intangibles, are recognised in the statement of profit and loss as incurred.

c) **Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss.

ix. **Inventories**

Inventories comprises of consumables used for analytical purposes. These are valued at the lower of cost and net realizable value. Cost is determined on First in First out basis, at purchase cost including other cost incurred in bringing consumables to their present location and condition.

x. **Provisions and contingent liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised but are disclosed in the notes to financial statements. Contingent assets are not recognised but are disclosed in the notes to financial statements when economic inflow is probable.

xi. **Financial instruments**

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

All financial instruments are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets recorded at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition or issue of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

xii **Impairment**

a) **Financial assets**

In accordance with Ind AS 109 - Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting period, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

(i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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PROVET VETERİNER ÜRÜNLERİ  
SAN. VE TİC. A.Ş.  
ÇAVUŞLAR MAH. ÇAVUŞLAR SK. NO: 28  
KARAY. B. 795 041 1665  
İSTANBUL

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss. This amount is reflected under the head other expenses in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below. Financial assets measured at amortised cost, contractual revenue receivables. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

**b) Non-financial assets**

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**xiii Earnings per share**

Basic EPS is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon 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. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

**xiv Cash and cash equivalents**

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.

**xv Segment**

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

**xvi Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**xvii Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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Çavuşlar Mah. 2. Cadde No: 28  
Kartal/İ.D.: 733 041 1925

**2A. Use of estimates and management judgments**

In application of the accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

**i. Deferred tax**

Deferred income tax liabilities are recognised for all taxable temporary differences. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

**ii. Fair value**

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**iii. Post-retirement benefit plans**

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions which include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at each financial year end on the government bonds.

**iv. Provisions and contingencies**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

**Margin SMMM Ltd.**

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Allure Tower 9/134 Avcılar İst.

**PROVET VETERİNER ÜRÜNLERİ**  
**SAN. VE TİC. A.Ş.**  
Çavuşoğlu Mah. Beşiktaşlılar Cad.  
No: 10 / Kat: 7 / İSTANBUL  
Kataiv.D. 790 041 1025

Provvet Veteriner Ürünleri San. ve Tic. A.Ş.  
Notes to the financial statements for the year ended 31 March 2024  
All amounts are in Turkish Lira unless stated otherwise

3 Property, Plant and equipment, Capital work in progress & Other Intangible assets

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Carrying Amount of:</b>		
Freehold land	2,968,405	2,532,754
Factory Building	38,285,129	26,112,199
Furniture and fixtures	340,161	217,971
Office equipments	1,487,146	678,205
Computers	270,653	118,577
Plant and machinery	19,964,507	19,494,320
Vehicles	2,563,344	4,201,867
	<b>65,879,345</b>	<b>53,355,893</b>
Right-of-use assets	1,732,340	1,800,591
Capital work-in-progress	4,863,831	4,209,313
Other intangible assets	379,401	525,523
<b>Total</b>	<b>72,854,917</b>	<b>59,891,720</b>

Cost or deemed cost	Tangible asset					Intangible asset		Total
	Free hold land	Factory Building	Furniture and fixtures	Office equip.	Computer	Plant and machinery	ROU Lease Asset	
Balance as on 01 April, 2022	798,480	10,264,782	564,807	565,351	358,711	15,199,155	1,008,092	36,570,099
Assets acquired during the year	-	456,724	6,400	128,935	10,170	3,030,138	-	3,807,751
Modifications during the year*	1,734,274	17,880,026	149,253	464,394	81,194	13,348,510	1,233,268	38,127,884
Deletions	-	-	-	-	-	-	-	1,245,680
<b>Balance as on 31 March, 2023</b>	<b>2,532,754</b>	<b>28,601,532</b>	<b>720,460</b>	<b>1,158,680</b>	<b>450,075</b>	<b>31,577,803</b>	<b>2,241,360</b>	<b>77,260,054</b>
Balance as on 01 April, 2023	798,480	10,721,506	571,207	694,286	368,881	18,229,294	2,241,360	43,242,559
Additions	-	2,264,730	47,200	372,962	75,325	2,163,050	-	4,973,267
Assets acquired during the year	-	17,880,026	149,253	464,394	81,194	13,348,510	-	34,017,406
Modifications upto previous year	1,734,274	435,651	99,407	622,720	116,655	1,245,675	33,144	11,574,046
Deletions	-	-	-	-	-	-	-	395,420
<b>Balance as on 31 March, 2024</b>	<b>2,968,405</b>	<b>40,972,917</b>	<b>867,067</b>	<b>2,159,362</b>	<b>642,055</b>	<b>34,986,529</b>	<b>2,274,444</b>	<b>93,411,948</b>

Accumulated Depreciation	Tangible asset					Intangible asset		Total
	Free hold land	Factory Building	Furniture and fixtures	Office equip.	Computer	Plant and machinery	ROU Lease Asset	
Balance as on 01 April, 2022	-	2,117,827	478,230	360,719	296,219	9,099,181	338,514	17,924,367
Depreciation / amortisation expense for the year	-	371,506	24,259	119,756	35,279	2,984,302	101,795	4,843,169
Deletions during the year	-	-	-	-	-	-	-	1,189,889
<b>Balance as on 31 March, 2023</b>	<b>-</b>	<b>2,489,333</b>	<b>502,489</b>	<b>480,475</b>	<b>331,498</b>	<b>12,083,483</b>	<b>440,309</b>	<b>21,577,647</b>
Balance as on 01 April, 2023	-	2,489,333	502,489	480,475	331,498	12,083,483	440,309	21,577,647
Depreciation / amortisation expense for the year	-	198,455	24,417	191,741	39,904	2,938,539	101,795	4,234,409
Deletions during the year	-	-	-	-	-	-	-	391,194
<b>Balance as on 31 March, 2024</b>	<b>-</b>	<b>2,687,788</b>	<b>526,906</b>	<b>672,216</b>	<b>371,402</b>	<b>15,022,022</b>	<b>542,104</b>	<b>25,420,862</b>

Carrying amount	Tangible asset					Intangible asset		Total
	Free hold land	Factory Building	Furniture and fixtures	Office equip.	Computer	Plant and machinery	ROU Lease Asset	
Balance as on 31 March, 2023	2,532,754	26,112,199	217,971	678,205	118,577	19,494,320	1,800,591	55,682,407
Balance as on 31 March, 2024	2,968,405	38,285,129	340,161	1,487,146	270,653	19,964,507	1,732,340	67,991,086

\*Hyper Inflation Impact INDA329

Margin SMMM Ltd.

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PROVET VETERİNER ÜRÜNLERİ  
SAN. VE TİC. A.Ş.

Çayyolu Mahallesi, 15110, Kat: 28, Kat: 28 / 15110  
Kartal / İstanbul  
Kartalkv. : 733 041 1920

Provet Veteriner Ürünleri San. ve Tic. A.Ş.  
Notes to accounts for the year ended 31st March 2024  
All amounts are in Turkish Lira unless stated otherwise

Notes	Particulars	As at 31 March 2024	As at 31 March 2023																																				
4	Other non-current assets Advance Income-Tax including tax deducted at source	-	37																																				
5	Non-current Investments Investments in equity instruments of 100% Subsidiary (Now of Shares held in Topkim - 100,000,000 at face value of TL 0.01/Share)	21,280,826	18,488,435																																				
6	Deferred tax assets (net) Losses Lease Employee Stock option Hyperinflation Retirement benefit obligations	13,009,455 93,641 279,829 451,004 2,188,824	2,585,770 93,642 503,843 - 263,006																																				
7	Inventories (At lower of cost and net realisable value) Raw materials and packing materials Goods-in transit  Work-in-progress and intermediates  Finished goods	16,022,754    80,085,635 6,489,298 86,574,933 7,019,565  22,018,128 115,612,626	3,446,261    73,099,810 2,575,023 75,674,833 2,624,636  21,087,369 99,386,838																																				
During the year ended 31 March 2024 TRY 7,279,950 (31 March 2023 TRY 1,178,818) was recognised as an expense towards provision for slow moving, expired and near expiry inventories																																							
8	Trade receivables Unsecured, considered good Unsecured, considered doubtful  Loss: Allowances for doubtful debts	159,163,482 1,263,940 160,427,422 (1,263,940) 159,163,482	104,472,904 1,263,940 105,736,844 (1,263,940) 104,472,904																																				
March'24																																							
	<table><tr><th rowspan="2">Particulars</th><th rowspan="2">Not Due</th><th colspan="5">Outstanding for following periods from due date of payment</th><th rowspan="2">Total</th></tr><tr><th>Less than 6 months</th><th>6 months - 1 years</th><th>1-2 years</th><th>2-3 years</th><th>More than 3 years</th></tr><tr><td>(i) Undisputed Trade Receivables - considered good</td><td>144,778,674</td><td>11,402,357</td><td>962,354</td><td>1,539,332</td><td>4,108</td><td>476,657</td><td>159,163,482</td></tr><tr><td>(ii) Undisputed Trade Receivables - considered doubtful</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>1,263,940</td><td>1,263,940</td></tr><tr><td>Grand Total</td><td>144,778,674</td><td>11,402,357</td><td>962,354</td><td>1,539,332</td><td>4,108</td><td>1,740,597</td><td>160,427,422</td></tr></table>	Particulars	Not Due	Outstanding for following periods from due date of payment					Total	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	(i) Undisputed Trade Receivables - considered good	144,778,674	11,402,357	962,354	1,539,332	4,108	476,657	159,163,482	(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	1,263,940	1,263,940	Grand Total	144,778,674	11,402,357	962,354	1,539,332	4,108	1,740,597	160,427,422	
Particulars	Not Due			Outstanding for following periods from due date of payment						Total																													
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(i) Undisputed Trade Receivables - considered good	144,778,674	11,402,357	962,354	1,539,332	4,108	476,657	159,163,482																																
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March'23																																							
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Particulars	Not Due			Outstanding for following periods from due date of payment						Total																													
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(i) Undisputed Trade Receivables - considered good	91,381,784	11,403,298	1,017,567	536,938	133,318	-	104,472,904																																
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	1,263,940	1,263,940																																
Grand Total	91,381,784	11,403,298	1,017,567	536,938	133,318	1,263,940	105,736,844																																
9	Cash and cash equivalents Cash on hand Balances with banks - In current accounts - In deposit accounts					3,217 2,416,536 1,626,339 4,046,092	3,035 923,980 178,532 1,105,547																																
10	Loans Unsecured, considered good:- Advances to employees					59,665 59,665	71,736 71,736																																
11	Other current assets Advance to supplier Balances with government authorities Prepaid expenses Others					2,247,929 5,460,298 1,092,229 67,954 8,868,409	1,230,663 5,420,168 330,248 56,524 7,037,603																																

Margin SMMM Ltd.  
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Universite Mah. Civan Sk. N:1  
Allure Tower 9/134 Avçılar Ist

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Çavuşoğlu Mah. Baskınandan Cad.  
No: 26 Kat: 11 Şişli İSTANBUL  
KartalV.C: 733 041 1925

Notes	Particulars	As at 31 March 2024	As at 31 March 2023
12	Share capital		
(a)	Authorized 200 equity shares of TRL 10,000	2,000,000	2,000,000
(b)	Issued, Subscribed and fully paid up 200 equity shares of TRL 10,000 Share Capital Impact of hyper inflation	2,000,000 3,071,856 5,071,856	2,000,000 1,010,244 3,010,244
Notes:			
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:			
Particulars			
Equity shares			
As at 31 March 2024			
Nos of Shares			
Amount			
As at 31 March 2023			
Nos of Shares			
Amount			
Shares outstanding at the beginning of the year			
Add: Shares issued during the year			
Shares outstanding at the end of the year			
(ii) Terms/rights attached to equity shares			
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.			
(iii) Details of shares held by each shareholder holding more than 5% shares			
Equity shares			
As at 31 March 2024			
As at 31 March 2023			
Nos of Shares			
% of Holding			
Nos of Shares			
% of Holding			
Alvira Animal Health Ltd, Ireland			
280			
100%			
280			
100%			
12	Other Equity		
	Retained Earnings		
	Opening Balance	28,540,917	(1,043,579)
	Profit for the year	(94,103,736)	(18,978,684)
	Remeasurement Benefit	(1,392,577)	(4,158,997)
	Retained Earnings Impact Ind AS29	65,464,416	52,722,178
	Closing Balance	(1,490,980)	28,540,917
	ii) Other Reserves		
	General reserve	31,074,815	18,443,499
	Corporate Emp. Expenses - Reserve	24,173,177	10,616,842
	Revaluation Reserve	13,142,412	7,800,273
	Capital reserve	125,118	74,261
		68,515,522	36,934,875
	Other Equity (Total)	67,024,542	65,475,792
13	Non-current liabilities - Financial Liabilities		
	(i) Borrowings		
	Unsecured Loan		
	-From bank	6,833,901	-
		6,833,901	-
	Particulars	Security, Terms of repayment & Interest Rate	As at 31 March 2024
	VakıfBank	Loan is repayable in 24 installments. Loan will be fully repaid by September 2025 - Interest rate TLREF + 4%	2,597,407
	VakıfBank Early Retirement Loan	Loan is repayable in 36 installments. Loan will be fully repaid by June 2026 - Interest rate TLREF + 4%	812,625
	VakıfBank Vinvo Loan	Repayable on Demand - Interest rate TLREF + 4%	3,423,869
14	Long term provisions		
	Provision for employee benefits		
	(i) Provision for gratuity (not)		
	(ii) Provision for compensated absences		
		3,668,399	4,617,793
		970,627	466,477
		4,639,026	5,084,270

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PROVET VETERİNER ÜRÜNLERİ  
SAN. VE TİC. A.Ş.  
Çavuşoğlu Mah. Başarımandan Cad.  
No: 28 - Kartal / İSTANBUL  
Kartal/İst: 793 041 1088

Notes	Particulars	As at 31 March 2024	As at 31 March 2023				
15	Current liabilities- Short term borrowings						
	Unsecured Loan						
	-From bank	1,912,592	4,225,795				
	Unsecured Loan						
	-From related party	221,761,587	114,525,244				
	Current maturities of long-term debt	10,673,176	182,160				
	(Details of interest rates, Repayment terms & other terms are disclosed under note 15)						
		<b>234,347,355</b>	<b>118,933,199</b>				
16	Current - Trade payable						
	Trade payable	67,966,492	69,765,422				
		<b>67,966,492</b>	<b>69,765,422</b>				
As at March'24							
	Particulars	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	(i) Others	23,037,149	18,583,649	8,257,246	14,760,203	3,038,149	67,696,896
	(ii) Disputed dues - Others	-	-	-	8,509	261,087	269,596
	Grand Total	<b>23,037,149</b>	<b>18,583,649</b>	<b>8,257,246</b>	<b>14,769,212</b>	<b>3,299,236</b>	<b>67,966,492</b>
As at March'23							
	Particulars	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	(i) Others	22,404,410	14,956,521	549,939	24,704	31,560,253	69,495,827
	(ii) Disputed dues - Others	-	-	-	8,509	261,087	269,596
	Grand Total	<b>22,404,410</b>	<b>14,956,521</b>	<b>549,939</b>	<b>33,213</b>	<b>31,821,340</b>	<b>69,765,422</b>
17 (i)	Current - Other financial liabilities						
	Interest accrued and due on borrowings	441,370	-				
	(Details of interest rates, Repayment terms & other terms are disclosed under note 13)	<b>441,370</b>	<b>-</b>				
17 (ii)	Other Current liabilities						
	Statutory remittances	2,978,030	982,528				
	Payables on purchase of fixed assets	-	152,804				
	Advances from customers	-	425,469				
	Others	3,417,233	13,323,220				
		<b>6,395,263</b>	<b>14,884,021</b>				
18	Short term provisions						
	Provision for compensated absences	378,485	176,169				
	Provision for gratuity	3,790,986	794,884				
		<b>4,169,471</b>	<b>971,053</b>				
19	Deferred tax liabilities (net)						
	Hypocorrelation adjustment	-	14,834,730				
		<b>-</b>	<b>14,834,730</b>				
20	Current tax liabilities						
	Provision for taxation (Net of Advance Tax : TRY NIL March 2023 TRY NIL)	176,310	-				
		<b>176,310</b>	<b>-</b>				

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SAN. VE TİC. A.Ş.  
Çavuşbaşı Mah. Dursunbeyli Cad.  
No: 28 Kat: 7 İSTANBUL  
Kartav. E. 199 041 1989

Provet Veteriner Ürünleri San. ve Tic. A.Ş.  
Notes to accounts for the year ended 31 March 2024  
All amounts are in Turkish Lira unless stated otherwise

Notes	Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
21	Revenue from operations		
	Gross Sales		
	Less: Sales Return	370,848,223	278,360,702
	Less: Turnover Premium	2,026,183	447,323
	Net Sales	10,587,108	8,404,846
	Other operating revenues	358,234,932	269,508,532
		43,466,009	44,255,249
		<b>401,700,941</b>	<b>313,763,781</b>
22	Other Income		
	Interest income	1,657	1,108,409
	Monetary Gain on hyperinflation adjustment	(37,884,496)	(15,931,739)
	Net gain on sale of investments	267	21,745
	Net gain on sale of fixed asset	2,447,714	4,398,225
	Miscellaneous Income	4,238,852	1,486,179
		<b>(31,196,006)</b>	<b>(8,917,181)</b>
23	Cost of materials consumed		
	Opening stock	73,099,810	59,184,721
	Hyperinflation adjustment	-	18,733,816
	Add: Purchases	201,763,149	170,299,604
	Less: Closing stock	86,574,933	73,099,810
		<b>188,288,025</b>	<b>175,118,331</b>
24	Changes in inventories of finished goods and work-in-progress & intermediates		
	Opening stock		
	Work-in-progress and intermediates	2,624,636	1,521,558
	Finished goods	21,087,368	12,564,243
		<b>23,712,005</b>	<b>14,085,802</b>
	Hyperinflation adjustment	-	1,939,644
	Closing stock		
	Work-in-progress and intermediates	7,019,565	2,624,636
	Finished goods	22,018,127	21,087,368
		<b>29,037,693</b>	<b>23,712,005</b>
	Net (increase)	<b>(5,325,688)</b>	<b>(7,686,559)</b>
25	Employee benefits expense (refer note no 36)		
	Salaries and wages	55,846,244	34,861,007
	Contribution to provident and other funds	8,205,101	5,538,274
	Expense on employee stock based compensation expense	938,012	907,086
	Staff welfare expenses	5,741,165	4,543,657
	Gratuity	646,336	198,588
		<b>71,376,858</b>	<b>46,048,612</b>
26	Finance costs		
	Interest expense	14,523,436	7,994,467
	Other borrowing costs	762,204	598,875
	Lease Interest costs	180,129	198,110
		<b>15,465,769</b>	<b>8,791,453</b>

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Cavuşlar Mah. Şenol Mahallesi Cad.  
No: 28 Kanal 7 İSTANBUL  
Kartavir C. 799 041 1029

Provet Veteriner Ürünleri San. ve Tic. A.Ş.

Notes to accounts for the year ended 31 March 2024

All amounts are in Turkish Lira unless stated otherwise

Notes	Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
27	Depreciation and amortisation expenses:		
	on tangible assets	5,362,193	5,784,753
	on intangible assets	107,821	138,064
	on lease assets	101,795	101,795
		<b>5,571,810</b>	<b>6,024,612</b>
28	Other expenses		
	Travel expenses	5,074,195	4,273,296
	Communication expenses	820,146	419,927
	Consumables	4,643,162	4,290,740
	Legal and Professional charges	8,998,311	4,533,454
	Freight and forwarding	7,453,016	4,542,034
	Power and fuel	9,387,702	9,712,935
	Rent	1,482,451	497,114
	Analytical charges	4,061,934	2,821,221
	Repairs to buildings	543,034	394,513
	Repairs to machinery	1,757,588	1,038,665
	Repairs to others	875,629	1,001,450
	Insurance	1,030,750	570,924
	Advertisement and selling expenses	3,338,952	3,643,090
	Rates and taxes	1,303,125	593,384
	Net loss on foreign currency transactions and translation	154,379,562	46,727,859
	Other expenses	10,652,850	5,547,157
		<b>215,802,406</b>	<b>90,607,763</b>
29	Tax expense (refer note no 36)		
	Deferred tax	(12,125,489)	897,791
	Deferred tax expenses on hyperinflation	(15,662,544)	4,023,281
	Tax expenses of prior years	1,217,524	-
		<b>(26,570,509)</b>	<b>4,921,073</b>

Marginal  
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SAN. VE TİC. A.Ş.  
Çavuşçu Mah. Postmanlar Çarş.  
No: 28 Kartal / İSTANBUL  
Kartal V.C. : 739 041 1925

30 Details of leasing arrangements

The Company's significant leasing arrangement is mainly in respect of office premises & Server; the aggregate lease rent payable on these leasing arrangements charged to Statement of Profit and Loss is TRY 279,294 (March'23 - TRY 343,194 ). Below is the movement of the asset.

The following is the movement in lease liabilities:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening Balance	942,350	1,023,533
Accretion of interest	180,129	198,110
Payments	(279,294)	(279,294)
Closing Balance	843,185	942,350
Current	207,668	99,165
Non-current	635,517	843,185

The effective interest rate for lease liabilities is 24%, with maturity till Mar,2029

The following are the amounts recognised in profit or loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation expense of right-of-use assets	101,795	101,795
Interest expense on lease liabilities	180,129	198,110
Discontinue of lease asset	-	-
Total amount recognised in profit or loss	281,924	299,905

Maturity Analysis of Lease (Refer Note 33.4)

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Payment of principal portion of lease liabilities	(99,165)	(81,184)
Payment of interest portion of lease liabilities	(180,129)	(198,110)
Net cash flows from financing activities	(279,294)	(279,294)

31 Earnings per share

Particulars	2024	2023
Loss for the period as per statement of profit and loss	(94,103,736)	(18,978,685)
Loss for the period attributable to the equity shareholders	(94,103,736)	(18,978,685)
Weighted average number of equity shares	200	200
Earnings / (Loss) per share - Basic	(470,519)	(94,893)
Earnings / (Loss) per share - Diluted	(470,519)	(94,893)

32 Contingent liabilities and commitments

(i) Contingent liabilities

1. A lawsuit was filed by a plaintiff, claiming damage and compensation for his immovable property (was filed over 64,000.00 TL, the plaintiff corrected the lawsuit amount and increased it to 414,504.00 TL). In its decision dated 30.01.2018, the court decided to grant the plaintiff 387,183.00 TL in legal compensation. It was decided to reject the excess request to be paid with interest and litigation expenses. An application was made to the Regional Court of Justice with a request to revoke the decision subject to enforcement proceedings and to reject the case. Our application for appeal was rejected on the merits and the decision was appealed. A guarantee (letter and cash) of 710.289,00 TL in return for the file debt was submitted to the enforcement file. The Supreme Court of Appeals partially reversed the Local Court decision in favor of the company. In its decision dated 23.11.2023, the Local Court decided to pay 358,258.00 TL compensation and litigation expenses to the plaintiff, and an appeal application was submitted to the Regional Court of Justice to annul the decision. As a result of the plaintiff initiating enforcement proceedings from the Anatolian 19th Enforcement Directorate for this receivable, the execution of the decision was stopped by submitting a letter of guarantee in the amount of 900,000.00 TL to the file. The trial continues in the Regional Court of Justice.

2. A lawsuit filed was filed for construction receivables against the company the regional court in its decision dated 26 April 2024 approved that TRY 530,000 has been settled and paid to the plaintiff. Accordingly the Company has provided the amount as on 31 March 2024.

(ii) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

Tangible Fixed assets

Margin SMMM Ltd.  
Avçılar 10.512 11 2517  
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AllureTower 9/134 Avçılar 1st

31-Mar-24

Nil

31-Mar-23

Nil

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Çavuşözü Mah. 23. Katmanlı Çiğdem Apt. Kat: 23  
No: 28 Kartal / İSTANBUL  
Kartal Vize: 799 041 1925

### 33 Financial instruments

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

Financial assets	Carrying value and fair value	
	31 March 2024	31 March 2023
<b>Measured at amortised cost</b>		
Loans	59,665	71,736
Trade receivables	159,163,482	104,472,904
Cash and cash equivalents	4,046,092	1,105,547
Other investments	21,280,826	18,488,435
<b>Total</b>	<b>184,550,065</b>	<b>124,138,622</b>
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
Borrowings (including current maturity of long-term borrowings)	241,622,626	118,933,199
Trade payables	67,966,492	69,765,422
Other financial liabilities	843,185	942,350
<b>Total</b>	<b>310,432,303</b>	<b>189,640,971</b>

### 33.2 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 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.

### 34.3 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.

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

	31 March 2024	31 March 2023
Outstanding for more than 6 months	2,982,452	1,687,823
Others	156,181,030	102,785,082
<b>Total</b>	<b>159,163,482</b>	<b>104,472,904</b>

#### Information about major Customer

One customer has total exposure in sales TRY 46,877,261 (13 % of total sales) in current year and TRY 28,583,287 (9 % of total sales) in FY 23. The receivables from this customer is TRY 40,607,135 (25% of total receivable) in current year and TRY 19,190,813 (18% of total receivable) in FY 23. Apart from the aforesaid customers, the Company does not have a significant credit risk exposure to any other external counterparty.

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**SAN. VE TİC. A.Ş.**  
Çavuşözü Mah. Çayır Sk. N:1  
No: 20 Kat:1 / İSTANBUL  
Kartal V.T. 799 041 1600

### 33.4 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 table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 31 March 2023:

Particulars	As at 31 March 2024			
	Less than 1 year	1-2 years	2 years and above	Total
Borrowings (including current maturity of long-term borrowings)	234,788,725	6,690,049	143,852	241,622,626
Trade payables	67,966,492	-	-	67,966,492
Lease liability	207,668	101,609	533,908	843,185

Particulars	As at 31 March 2023			
	Less than 1 year	1-2 years	2 years and above	Total
Borrowings (including current maturity of long-term borrowings)	118,933,199	-	-	118,933,199
Trade payables	69,765,422	-	-	69,765,422
Lease liability	83,155	101,609	757,586	942,350

### 33.5 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.

#### 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 financing activities & operating activity. The Company manages its foreign currency risk of operating activity & finance activities (excluding group exposure) by having limited exposure.

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

Foreign currency	31 March 2024		31 March 2023	
	Receivables / (payables)	Receivables / (payables) in foreign currency	Receivables / (payables)	Receivables / (payables) in foreign currency
EURO	(74,543,178)	(2,119,269)	(24,707,394)	(1,187,733)
USD	(21,141,178)	(650,383)	(115,709,688)	(6,043,544)
EURO	13,224,655	375,978.12	-	-
USD	26,924,652	828,305.26	-	-
Net exposure	(55,535,049)		(140,417,081)	

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No: 28 Kaftal / İSTANBUL  
KARAYOLU: 735 041 1925

b) Foreign currency sensitivity analysis

The Company is mainly exposed to currency fluctuation of USD and Euro.

The following table details the Company's sensitivity to a 10% increase and decrease in the TRY 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 TRY strengthens 10% against the relevant currency. For a 10% weakening of the TRY against the relevant currency, 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 2024	31 March 2023
10% decrease in foreign currency		
Currency of Europe (Euro)	6,131,852	2,470,739
Currency of U.S.A (USD)	578,347	11,570,969
10% increase in foreign currency		
Currency of Europe (Euro)	(6,131,852)	(2,470,739)
Currency of U.S.A (USD)	(578,347)	(11,570,969)

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.

c) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments are as follows:

	31 March 2024	31 March 2023
Financial liabilities		
-Borrowings from bank	19,419,669	4,225,795
-Borrowings from related party	221,761,587	114,525,244
	<u>241,181,256</u>	<u>118,751,038</u>

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

33.6 Capital management

For the purpose of 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.

As at 31 March 2024, 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 2024	31 March 2023
Debt (i)	241,622,626	118,933,199
Cash and bank balances (ii)	4,046,092	1,105,547
Net debt [ (i) - (ii) ]	<u>237,576,534</u>	<u>117,827,652</u>
Equity attributable to owners of the Company	72,096,398	68,486,036
Gearing ratio : Net debt / Equity.	<u>329.53%</u>	<u>172.05%</u>

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

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Avcılar VD 612 111 2612  
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Allure Tower 9/134 Avcılar İst

PROVET VETERİNER ÜRÜNLERİ  
SAN. VE TİC. A.Ş.  
Çayırdağı Mah. Beşiktaş / İstanbul  
No: 26 Kat: 7 / İSTANBUL  
Kartal V.D. : 799 041 1889

34 Segment Information

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

**Primary segment: Business segment**

The Company is mainly engaged in the business of manufacturing and marketing of Vet Pharmaceutical products. Considering the nature of business and financial reporting of the Company, the Company has only one business segment viz; Vet formulation as primary reportable segment.

**Secondary Segment Information (Geographical Segment)**

Particulars	Year Ended 31 March 2024	Year Ended 31 March 2023
<b>Revenue from operation</b>		
Europe	14,391,548	8,990,862
Asia	349,827,044	280,965,354
Rest of the World	37,482,349	23,807,565
<b>Total</b>	<b>401,700,941</b>	<b>313,763,781</b>
<b>Segment Assets</b>		
Europe	6,588,999	2,528,579
Asia	343,341,051	258,027,682
Rest of the World	26,638,229	14,784,649
<b>Total</b>	<b>376,568,279</b>	<b>275,340,910</b>
<b>Unallocable Asset</b>	<b>21,340,491</b>	<b>18,560,171</b>
<b>Total Assets</b>	<b>397,908,771</b>	<b>293,901,081</b>
<b>Cost incurred during the year to acquire segment assets (tangible and intangible fixed assets)</b>		
Asia	4,973,267	3,807,751
<b>Total</b>	<b>4,973,267</b>	<b>3,807,751</b>

Margin SMMM Ltd.  
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SAN. VE TİC. A.Ş.  
Çayırdağı Mah. K. K. Köyü Karadeniz Cad.  
No: 28 Kartal / İSTANBUL  
Kartal V.E.: 798 041 1000

35 Employee benefit plans

(i) Defined contribution plans:

The Company makes Social Security scheme contributions which are defined contribution plans, for all employees. Under the scheme, the company is required to contribute a specified percentage payroll costs to fund the benefits. The Company has recognised TL 8,205,101 (31 March 2023 : TL 5,538,274) for social security scheme contributions.

(ii) Defined benefit plans:

The Company has termination benefits for its employees. Termination benefits are payable to all eligible employees of the Company on superannuation, death and resignation. The following table summarises the components of net employee benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan.

	31 March 2024	31 March 2023
	Termination benefits	Termination benefits
Expense/ (income) recognised in the statement of profit and loss:		
Current service cost	1,668,305	859,978
Net interest cost	493,175	457,315
Expected return on plan assets	-	-
Component of defined benefit costs recognised in the statement of profit and loss	2,161,480	1,317,293
Expense / (income) recognised in other comprehensive income:		
Return on plan assets (excluding amounts included in net interest cost)	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-	(126,546)
Actuarial (gains) / losses arising from changes in financial assumptions	(3,150,013)	1,622,663
Actuarial losses arising from changes in experience adjustments	5,006,782	2,662,880
Component of defined benefit costs recognised in the other comprehensive income	1,856,769	4,158,997
Total	4,018,249	5,476,290

The current service cost is included in 'Employee benefit expenses' and net interest cost is included in the 'Finance costs' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

Net defined benefit obligation as reflected in balance sheet:

	31 March 2024	31 March 2023
	Termination benefits	Termination benefits
Present value of defined benefit obligation	7,459,385	5,412,678
Fair value of plan assets	-	-
Funded status (deficit)	(7,459,385)	(5,412,678)
Net liability recognised in balance sheet	7,459,385	5,412,678

A. Movements in the present value of the defined benefit obligation are as follows:

	31 March 2024	31 March 2023
	Termination benefits	Termination benefits
Opening balance	5,412,678	2,306,101
Current service cost	1,668,305	859,978
Interest cost	493,175	457,315
Benefits paid	(1,971,541)	(2,369,713)
Re-measurement loss/ (gain):		
Actuarial loss/ (gain) arising from:		
Actuarial (Gain) / Loss - Demographic Assumptions	-	(126,546)
Actuarial (gains) / losses arising from changes in financial assumptions	(3,150,013)	1,622,663
Actuarial losses arising from changes in experience adjustments	5,006,782	2,662,880
Closing defined benefit obligation	7,459,385	5,412,678

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SAN. VE TİC. A.Ş.  
Çavuşoğlu Mah. Çavuşoğlu Sk. N:1  
No: 28 Kartal / İSTANBUL  
Kartal V.D.: 733 041 1925

**Actuarial assumptions**

The principal assumptions used for the purpose of actuarial valuations are shown in the table below. The assumptions as at the balance sheet date are used to determine the present value of defined benefit obligation at that date.

	31 March 2024	31 March 2023
	Termination benefits	Termination benefits
<b>Financial assumption:</b>		
Discount rate	29.26%	10.90%
Salary escalation rate	50% first year, 30% thereafter	44% first year, 10% thereafter
<b>Demographic assumption:</b>		
Withdrawal rate	20%	20%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	58-60	58-60

As per para 83 of Ind As 19-Employee benefits, the rate used to discount post-employment benefit obligation (both funded and unfunded) shall be determined by reference to market yields at the end of each reporting period on government bonds.

	31 March 2024	31 March 2023
	Termination benefits	Termination benefits
<b>Expected future cash flows</b>		
Within 1 year	3,790,986	1,776,280
2-5 years	6,737,848	3,464,448
6-10 years	3,241,782	1,848,703

**Sensitivity Analysis**

The sensitivity analyses below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

	<b>Impact on the defined benefit obligation</b>	
	<b>Termination benefits</b>	
	100 bps increase	100 bps decrease
<b>31 March 2024</b>		
Discounting rate	(1.46)	1.52
Salary escalation rate	0.06	(0.06)
<b>31 March 2023</b>		
Discounting rate	(2.67)	2.85
Salary escalation rate	0.64	(0.73)

**Margin SMMM Ltd.**  
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**PROVET VETERİNER ÜRÜNLERİ**  
**SAN. VE TİC. A.Ş.**  
Çağışer Mah. Beşiktaş / İstanbul  
No: 28 Kat: 7 / İSTANBUL  
KARAYOLU: 720 041 1099

36 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 2024	Year ended 31 March 2023
i) Income tax expense recognised in the statement of profit and loss		
Current tax	-	-
Total (I)	-	-
Deferred tax charge		
Origination and reversal of temporary differences	(27,788,033)	4,921,073
Total (II)	(27,788,033)	4,921,073
Provision for tax of earlier years Provided (III)	1,217,524	-
Total (IV = I+II+III)	(26,570,509)	4,921,073

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

	31 March 2024	31 March 2023
Loss before tax	(120,674,245)	(14,057,612)
Less: Hyperinflation adjustment on loss	69,514,539	-
Loss before Hyperinflation adjustment	(51,159,706)	-
Statutory income tax rate	25.00%	25.00%
Tax as per applicable tax rate	(12,789,927)	-
Permanent difference:		
Taxes expense on account of amnesty scheme	1,217,524	(6,089,302)
Differences due to:		
- Effect of deferred tax on brought forward business losses	-	1,207,779
- Tax on Expenses not deductible	514,989	-
- Deferred tax recognised on Hyperinflation	(15,285,734)	-
- Others	(227,362)	(744,663)
Income tax expenses charged to the statement of profit and loss	(26,570,509)	(5,626,187)
Effective tax rate	22.0%	40.0%

C) Movement in deferred tax assets and liabilities

31 March 2024			
	As at 01 April 2023	Credit / (charge) in the statement of profit and loss	As at 31 March 2024
- Temporary differences on account of depreciation	(527,060)	436,554	(90,506)
- Employee Stock option expenses	503,843	(224,015)	279,829
- Right-of-use assets (*)	93,642	(1)	93,641
- Retirement Benefits	790,066	1,489,264	2,279,330
- Hyper inflation	(14,834,730)	15,285,734	451,004
Tax assets / (liabilities)	(13,974,238)	16,987,535	3,013,297
- Unabsorbed depreciation and carried forward of losses	2,585,770	10,423,685	13,009,455
Net tax assets / (liabilities)	(11,388,468)	27,411,220	16,022,752
- MAT credit entitlement	-	-	-
Total	(11,388,468)	27,411,220	16,022,752

31 March 2023			
	As at 01 April 2022	Credit / (charge) in the statement of profit and loss	As at 31 March 2023
- Temporary differences on account of depreciation	(665,463)	138,403	(527,060)
- ESOP	277,072	226,772	503,843
- Right-of-use assets (*)	88,489	5,153	93,642
- Other	850,406	(60,340)	790,066
- Ind AS 29	-	(14,834,730)	(14,834,730)
Tax assets / (liabilities)	550,504	(14,524,742)	(13,974,238)
- Unabsorbed depreciation and carried forward of losses	3,793,549	(1,207,779)	2,585,770
Net tax assets / (liabilities)	4,344,053	(15,732,521)	(11,388,468)
- MAT credit entitlement	-	-	-
Total	4,344,053	(15,732,521)	(11,388,468)

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

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SAN. VE TİC. A.Ş.

Çavuşlu Mah. Başkentrandevi Cad.  
No: 28 Kat: 15 Şişli - Beşiktaş / İstanbul  
Kartal Y.C. 700 041 1585

37 Related Party Disclosures

- i) Holding company:  
Alivira Animal Health Limited, Ireland  
Alivira Animal Health Limited, India (Holding company of Alivira Animal Health Limited, Ireland)  
Sequent Scientific Limited, India (Ultimate Holding Company)
- ii) Wholly owned Subsidiary:  
Topkim-Topkapi İlaç Premiks San. Ve Tic. A.Ş.
- iii) Key Management Personnel  
Murat Montes  
Alexis Goux
- iv) Fellow Subsidiaries  
Laboratorios Kanizoo SA, Spain  
Bremer Pharma GmbH, Germany

A. Transaction during the year	Year ended 31 March 2024	Year ended 31 March 2023
<b>Nature of Transactions</b>		
(i) Purchase of materials		
Alivira Animal Health Ltd, India	-	245,858
Laboratorios Kanizoo SA, Spain	11,610,291	10,751,595
Bremer Pharma GmbH, Germany	8,656,876	189,403
Topkim-Topkapi İlaç Premiks San. Ve Tic. A.Ş.	39,999,925	45,370,991
(ii) Sale of materials		
Topkim-Topkapi İlaç Premiks San. Ve Tic. A.Ş.	54,508,170	61,166,119
Alivira Animal Health Ltd, India	3,259,488	-
Laboratorios Kanizoo SA, Spain	922,008	-
(iii) Interest on Loan		
Alivira Animal Health Ltd, Ireland	5,775,730	3,655,347
(iv) Income from Car rent cross charge		
Topkim-Topkapi İlaç Premiks San. Ve Tic. A.Ş.	4,575,000	2,700,000
(v) Income from Conversion charges cross charge		
Topkim-Topkapi İlaç Premiks San. Ve Tic. A.Ş.	33,500,000	39,800,000
(vi) Income from Logistic Service		
Topkim-Topkapi İlaç Premiks San. Ve Tic. A.Ş.	742,898	553,602
(vii) Income from fuel expense reimbursement		
Topkim-Topkapi İlaç Premiks San. Ve Tic. A.Ş.	670,376	487,592
(viii) Legal & professional Expenses		
Alivira Animal Health Limited, Ireland	1,068,025	249,292
Laboratorios Kanizoo SA, Spain	1,970,333	1,682,723
(ix) Other Expenses		
Bremer Pharma GmbH, Germany	5,521	98,492
(x) Other Income		
Bremer Pharma GmbH, Germany	3,291,660	-
Alivira Animal Health Ltd, Ireland	200,081	-
<b>B. Balance as at balance sheet date:</b>		
(i) Borrowing		
Topkim-Topkapi İlaç Premiks San. Ve Tic. A.Ş.	26,206,115	2,614,259
Alivira Animal Health Ltd, Ireland	195,547,790	111,907,391
(iii) Receivable balance		
Bremer Pharma GmbH, Germany	28,225	-
Laboratorios Kanizoo SA, Spain	688,598	-
Alivira Animal Health Ltd, India	1,872,915	-
(iv) Creditors balance		
Laboratorios Kanizoo SA, Spain	19,017,395	6,680,528
Bremer Pharma GmbH, Germany	8,762,072	41,518
Alivira Animal Health Ltd, India	-	-
Alivira Animal Health Ltd, Ireland	54,696,846	31,809,545

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

As per our report of event date  
Margin Serbest Muhasebeci Mali Müşavirlik Ltd

For and on Behalf of the Board of Directors

Place : Istanbul  
Date : 13 May 2024  
**Margin SMMM Ltd.**  
Avcılar VD-612 111 2617  
Üniversite Mah. Civan Sok. N:1  
Allure Tower 9/13-4 Katlı 1st

Murat Montes  
Director  
Istanbul, 13th May 2024

**PROVET VETERİNER ÜRÜNLERİ**  
**SAN. VE TİC. A.Ş.**  
Çayırtepe Mah. Beşiktaşlılar Cad.  
No: 28 Kat:1 / İSTANBUL  
Kartalkaya 709 041 1005